

The NATIONAL UNDERWRITER

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_____ Del-e-tape ribbons @ \$1.50 each
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THURSDAY, FEBRUARY 5, 1948

ARE YOU GETTING THE MOST OUT OF YOUR COLLECTIONS?



With the period of free spending on the wane and the squeeze of rising prices tightening, there is and will be less and less surplus money available to everyone for spending. On top of that taxes are high. All these factors will contribute as time goes on to making collections tighter.

The forward-looking agent who keeps his collections up-to-the minute at all times and does not permit clients to over-extend their credit, is the agent who will be in the best financial condition at the end of 1948.

According to the gospel of "St. Lucre," collect now or repent later!

Agents are cordially invited to ask for a free copy of our collection booklet: "Getting the most out of Your COLLECTIONS!" Write our Advertising Department.

**NORTH BRITISH AND MERCANTILE INSURANCE COMPANY
LIMITED**

**THE PENNSYLVANIA FIRE INSURANCE COMPANY
THE COMMONWEALTH INSURANCE COMPANY OF NEW YORK
THE MERCANTILE INSURANCE COMPANY OF AMERICA
THE HOMELAND INSURANCE COMPANY OF AMERICA**

150 WILLIAM STREET, NEW YORK 7, N. Y.

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Slate Hearing Feb. 16 on Important N. Y. Proposals

Fashioning of State Anti-Trust Law Pattern for Insurance Looms

Six proposed changes in the New York insurance laws will be discussed at a public hearing at Albany Feb. 16 by the joint legislative committee on insurance rates and regulation of which Sen. W. J. Mahoney, Buffalo, is chairman. Mr. Mahoney said the proposals are the result of testimony given at earlier hearings at Albany and at New York.

One proposal is to amend the Donnelly act, the state's "little Sherman anti-trust law," to place the insurance industry under its jurisdiction.

A companion proposal would permit insurers, agents or brokers to conduct certain action in concert at which they may agree upon practices or policies, which is contrary to the federal anti-trust statutes.

But the agreements must be filed with the superintendent and they cannot be placed into operation unless, after a public hearing, he determines they are in the public interest and approves them. The superintendent would be required to file a summary of his decisions in his report to the legislature.

Other proposals would prohibit the payment of rebates in A. & H. insurance; would revise the rating law in accordance with suggestions submitted by the department and industry members at the committee's first hearing, and would make certain amendments in the trade practices bill in relation to methods employed by insurers.

Marine Exclusion

The first amendment to the general business law or Donnelly act will include licensed insurers, agents, brokers, independent adjusters, and other persons and organizations under the law. It does, however, continue the exclusion of marine insurance, including marine protection and indemnity, and marine reinsurance.

Sections 180 to 189 of the state insurance law on rates and rating organizations will come in for a general revision if the proposals are adopted. The purpose of this article and its sections is to promote the public welfare by regulating insurance rates so that they shall not be excessive, inadequate, unfairly discriminatory, or otherwise unreasonable, and to authorize and regulate cooperative action among insurers in rate making and in other matters.

Nothing in the article is intended to prohibit or discourage reasonable competition, or to prohibit or encourage uniformity in insurance rates, rating systems, rating plans or practices.

A new section, No. 37, pertains to the approval of cooperative or concerted activities. Its purpose is to regulate these activities in the insurance business in accordance with public law 15. The superintendent shall determine whether the concerted activities are detrimental to the public interest or otherwise unreasonable; if they will unreasonably increase the cost of insurance in the state; or involve an agreement to boycott, coerce, or intimidate. Among the cooperative or concerted activities to be

Danish Reinsurer Enters U. S. Under Seibels, Bruce & Co.

A. Georg Rasmussen, managing director of Copenhagen Reinsurance of Copenhagen, Denmark, announces the appointment of Seibels, Bruce & Co. of Columbia, S. C., and New York as managers of the U. S. branch of the company for reinsurance in the U. S., Canada and Mexico. Central Hanover Bank & Trust Co. has been appointed U. S. trustee.

Participating through Copenhagen Re at its home office in the results of the U. S. branch are 12 Danish, Swiss and other European companies.

Seibels, Bruce & Co. was established in 1869 and has long been prominent in both the direct and reinsurance business. This year is the 50th anniversary of the establishment of the southern department of Glens Falls under their management, and in 1930 Glens Falls Indemnity Company was added to the department.

Seibels, Bruce & Co. have been managers of the southern department of Royal Exchange and Exchange Underwriters since 1905, South Carolina since 1910, Colonial Fire Underwriters since 1911, and Franklin National since 1931. A reinsurance department was established in 1928. They now represent as reinsurance agents Niagara Fire, South Carolina and Birmingham Fire of Alabama, and are closely affiliated with several of the leading reinsurance companies.

The executive offices are at Columbia and the principal branch office is at 111 John street, New York. A London office is maintained at 4 Fenchurch street.

Ky. Legislative Parley

Commissioner Wilson of Kentucky is holding an informal conference Friday with industry representatives on legislative proposals to be presented to the legislature which is now in session. It is understood the question of multiple line underwriting will be one of the important topics under discussion.

considered are the amount and conditions of payment of agents' or brokers' commissions or the remuneration of salaried representatives.

The fourth amendment involves a summary of decisions rendered on insurance during the preceding calendar year. The purpose of the new article on trade practices is to define, or provide for determination of, all such practices in the state which constitute unfair methods of competition, or unfair or deceptive acts or practices, and to prohibit them.

The final amendment to be considered is an anti-rebating law pertaining to accident and health.

Regulation of Commissions

The proposal by the Mahoney committee to permit concerted action on commissions without the state fixing them on first reading struck some in the fire and casualty business as a solution to the problem of how to regulate commissions. The business is now studying the matter, and the proposal makes a timely appeal. It is suggested that the proposal reflects the attitude of Superintendent Dineen, whose view is that commissions constitute a worry for the industry itself to handle.

However, some companies are convinced that they will be in violation of the federal anti-trust laws if they agree on commissions, and indicate, at least at present, that they are not going to take a chance.

Miazza Shows Famed G.A.B. Films to Many New Groups

About 225 attended the luncheon at Chicago Monday, sponsored by Adjusters Assn. of that city, to view the famed colored movie films of J. F. Miazza, assistant general southwestern manager of General Adjustment Bureau, illustrating the San Antonio hailstorm of 1946, the Woodward tornado, Texas City explosion and Louisiana-Mississippi hurricane. Members of Western Loss Assn. were guests as well as numerous other fire insurance men in the city. A special guest was William Vail, general adjuster at the U. S. head office of Phoenix Assurance.

Mr. Miazza was returning from the east where he had shown the pictures before a gathering of Hartford fire insurance people at a meeting sponsored by Automobile; where he had made showings at New York before several company groups including Home, Royal-Liverpool, Great American, North British & Mercantile and to a Philadelphia meeting sponsored by North America.

\$80 Million of Loss

These films illustrate occurrences in which the insurance loss amounts to about \$80 million. Mr. Miazza expects soon to incorporate in the showing, scenes of the New Hampshire-Maine forest fires, and the Florida hurricane that preceded the Louisiana-Mississippi blow; and that will mean that there will be covered about \$100 million of insurance loss, occurring in less than two years. All of this he expects to edit so that the entire film will run about half an hour, and will be timed for non-insurance gatherings, usually at luncheon. So far, Mr. Miazza has shown the films before non-insurance audiences totaling about 25,000 persons.

There have already been closed 50,000 claims in the Louisiana-Mississippi hurricane for a total of \$8 million. There were 5,700 claims settled in Mississippi at an average of \$400, and 45,000 claims in Louisiana at an average of \$132.

At the Chicago showing Mr. Miazza said that so far only one suit has been filed over the issue of windstorm vs. wave wash damage. This was brought by Mrs. Sherrill, owner of Riviera hotel at Biloxi. The action, in federal court, is due to come up Feb. 15.

Audience Is Impressed

The audience was awed by the problem that confronted the adjusters in distinguishing between wind and wave wash damage on the Mississippi coast to the satisfaction of insured and insurer and was impressed by the excellent results that have been obtained. Mr. Miazza pointed out also that in addition to that problem, there is the complication that many of the Mississippi insurance contracts, particularly at Bay St. Louis and Waveland, contained the 50% coinsurance clause.

Mr. Miazza remarked that an attorney for the companies had given the opinion that privately owned piers of residents are covered under the 10% extension of coverage under the dwelling contract, but the adjusters have been able to convince the assured that the loss and damage to piers was due entirely to the wave action.

Mr. Miazza expressed the utmost sympathy for the residents of the Mississippi Gulf Coast region, saying that many of these homes were owned by retired persons. There has been very little rebuilding there, due to the lack of funds of the owners and the high cost of building.

Mr. Miazza said that the sea wall along the Mississippi coast was insured

Full Multiple Line Bill in N. Y. Has No Opposition

Expect Legislature to Enact Measures Going the Whole Way

At Albany bills have been introduced in both houses of the New York legislature permitting fire and casualty companies to write either line.

Passage of legislation conferring full underwriting powers except life is expected in the current session. It doesn't have the opposition it once did. That opposition came mostly from the fire companies.

The New York legislature first passed a bill permitting cross reinsurance and multiple line underwriting abroad; then it okayed the writing of full automobile coverage by either class of carrier. The latter became effective Jan. 1. Now legislation to go the whole way hasn't any foreseeable opposition.

Another factor is that the condition of the market is such as to make it unlikely that fire or casualty companies either, in the next two or three years, will be raiding each other's agency plants.

Total RFC Payments to Insurers Now \$17,252,020

WASHINGTON—RFC has made available to THE NATIONAL UNDERWRITER the following facts and figures concerning payments to insurance companies that participated in the war damage program:

Of 533 fire companies participating, payments went to 532. Three hundred and ninety-three received payment in full totaling \$8,941,510 and 139 received partial payments totaling \$8,204,371. One company has gotten no payment because the auditing job has not been completed.

Total payments to fire companies are \$17,145,881.

Eighty-eight casualty companies received payment in full totaling \$91,459. Total payments to fire and casualty companies were thus \$17,237,340.

In a former distribution \$14,679 was paid to companies participating in the WDC glass insurance program. This brings total payments to participating companies to date up to \$17,252,020.

New trends in air safety were discussed by Jerome Lederer, assistant manager of Aero Insurance Underwriters, at the conference of Institute of Aeronautical Science at New York.

on an all risk basis, but two years ago the county government dropped the insurance.

In connection with the Texas City disaster, in answer to a question, Mr. Miazza said that all the insurers have taken subrogation against the government on the ground that the loading of ammonium nitrate was not done in accordance with regulations and that much smoking was being done on the ship.

Donald Kerwin presided as president of Adjusters Assn. and Mr. Miazza was introduced by Arthur Kilburg of Cook County Loss Adjustment Bureau.

Eye Auto Physical Damage Rates; May Not Be Enough

The National Automobile Underwriters Assn. is now studying the experience figures on automobile physical damage losses and premiums for the first nine months or so of last year, the only ones that are so far available, and there should be some indication soon as to whether the present level of rates is high enough.

Experience has improved. However, the patient isn't out of bed yet, so that it is impossible to say that he is well. Most of the companies that do any kind of volume of auto business are still in the red or close to it on physical damage losses. Higher rates have helped, and it is true that only a few of the months under study for 1947 show the effect of the higher rates. But the losses and what they indicate in the way of a pattern will be the real test.

What concerns underwriters on physical damage losses is that although the rates are by no means twice what they were before the war the dollars paid out for repair and replacement are at least twice as many as in 1940-41. These prices have shown no inclination to decline. Actually, they are increasing.

One reason for this is the difference in construction of automobiles. More and more they are being made of one piece, so to speak, so that a slight bang on any part of the surface means that all the way from 10 to 50% of the car has to be replaced. The fancy and expensive grill work on the fronts of many cars is not made in sections, but all in one strip. If an end of one of the bars is broken, the whole grill has to be replaced. There is no salvage on the grill work; it is strictly junk after it has been removed.

The other day the grill on a Cadillac was banged up on one end, and the insurance company promptly settled with the insured for \$90. A fender isn't a fender any more, it is a healthy portion of the body, and whereas the finest fender in the world of 1940 cost \$35, today they take all the way from \$150 to \$250 to replace, material and labor.

Making Frame-Body One Piece

One not particularly popular brand of automobile is now producing a car whose frame and body are welded into one continuous piece so that a good bang will throw the whole thing out of gear. One was involved in a collision, and the insurer got an estimate of \$1,200 to straighten up the frame and body. It rebelled and went to the factory to find out what was going on. The factory said that in one of its own dealer shops the job could be done around \$500, and this was done.

Another car, also not so popular but nevertheless a good car that is selling in increasing volume, is doing its frame and body in two pieces. Thus the same criticism could be made of it, although not to the same extent. Facts of this sort are definitely influencing underwriting, and causing companies to shy away where they can from these automobiles.

Another problem to underwriters is that the premium for fire, theft and collision is based upon the f.o.b. factory price of the automobile, and this has little relationship to the price of the car the customer has to pay. One automobile of the sedan type is listed at \$1,370, f.o.b. factory. There isn't a dealer in the country that will sell it for less than \$2,000 after it has been equipped with what is now regarded as standard facilities such as heater, radio, etc. The premium, underwriters think, should be based on dealer prices to the customer. Then the insurer would get a premium commensurate with the protection it is affording and the risks that it is assuming.



There have been more requests in recent months for stated amount coverage. Under actual cash value there is always room for argument between insurer and insured as to what the actual cash value is—what the manufacturer lists or what

the owner paid. Some insured believe this is the only way that they can be sure of getting their money out of the car in case it is burned, stolen or busted. Even with a stated amount policy, insured can't get back the money he lost on his old car; that is, the difference between what the dealer would give him and what he could have sold it for on the open market but didn't because he wanted a new car promptly. That, insured will have to write off as a loss.

Some underwriters believe that quite a number of losses are caused because of the driver's unfamiliarity with the performance of a new car. It has been a long time since he had one. He is used to driving an old vehicle and can tell by the "feel" of it how fast he is going. His judgment is based upon that feeling. The new car is a lot smoother and more powerful. Before he knows it he is driving 60 miles an hour instead of the 35 that he thought he was going, and he is too close to a collision to avoid it.

The additional size of cars also is a factor, even in the same brand. A Chevrolet today is a lot bigger, for example, and sticks out a lot more, than it did in 1940. In parking, sliding by cars and driving into garages, the driver doesn't allow enough leeway.

Like Hotcakes!

FIRE!

Telephone

POLICE!

Telephone

DOCTOR!

Telephone

... and for INSURANCE PROTECTION BEFORE disaster strikes.

Call

The accompanying 'phone card printed by National Fire has proved popular beyond all estimates with 750,000 of them ordered within a 60 day period. The red card is four by nine inches with spaces for the local emergency telephone numbers. Many agents made 100% mailings. Others distributed the cards at town meetings and through police and fire departments. It all proves that agents are willing to promote fire and accident prevention given the proper materials. Incidentally, this is one item that National Fire would be glad to have other companies copy.

Blue Goose Deputies Are Appointed

MILWAUKEE—E. J. Beauvais, Montreal, most loyal grand gander of Blue Goose, has appointed deputy most loyal grand ganders and committees for 1948, announced through R. A. Kenzel, Milwaukee, grand welder.

Deputies-at-large are: Canada, A. J. Beattie, Toronto; western states, Loyal T. R. Snyder, Seattle; central states, Eugene F. Gallagher, Detroit; eastern states, Gilbert A. Dietrich, New York City; Arkansas, Louisiana, Oklahoma and Texas, Sam P. Raines, Little Rock; Florida, Georgia, North and South Carolina and Virginia, Marion H. McCown, Greensboro, N. C.; Alabama, Kentucky, Mississippi and Tennessee, Joe B. Chapman, Birmingham.

Deputies for Canada: James Symington, Calgary, for Province of Alberta; J. F. Parrott, Vancouver, British Columbia; Leslie Woods, Winnipeg, Manitoba; Rolland LePage, Montreal, eastern Canada.

Deputies for the U. S.: Howard Spear, Spokane, Washington and Oregon; R. L. Salmon, Salt Lake City, Utah, Idaho and Montana; F. L. Ingersoll, San Francisco, northern California; A. M. Schneider, Los Angeles, southern California and Arizona; Clarence Cobb, Denver, Colorado, Wyoming and New Mexico; Louis Barpa, Honolulu, Hawaiian territory; J. H. Lewis, Jr., St. Paul, North and South Dakota; Burt Burton, Sioux Falls, S. D., Minnesota; C. B. Herrick, Jackson, Mich., Ohio; Don C. Campbell, Chicago, Indiana; F. J. Weber, Cleveland, Michigan; Don G. Kaga, Indianapolis, Illinois; T. A. Hites, Milwaukee, Iowa; Alex B. Young, Kansas City, Nebraska.

Also, E. H. Wylie, Omaha, Kansas; Wendell Clinite, St. Louis, western Missouri; R. M. Covington, Topeka, eastern Missouri; E. A. Smith, Des Moines, Wisconsin; F. Moore, Newark, New York state and New England; Robert Martin, Baltimore, Maryland and District of Columbia; B. F. Flood, Parkersburg, West Virginia; R. F. Goodhue, Philadelphia, Pennsylvania; G. C. Jefferson, Richmond, Virginia, North and South Carolina; S. E. Holland, Louisville, Kentucky and Tennessee; Lake Dupree, New Orleans, Louisiana and Mississippi; D. R. Thomas, Oklahoma City, Oklahoma and Arkansas; J. C. Leissler, Dallas, Texas; Carlton N. Hughs, Atlanta, Georgia, Alabama and Florida.

Hubert O. Wolfe, Milwaukee, was appointed judge advocate, and chairman of the jurisprudence committee, with Estes Doremus and Jack E. Rose as the other members.

Other committee chairmen are: Leslie Woods, Winnipeg, constitution and by-laws; W. H. Bell, Montreal, ritual; D. A. MacDonald, Montreal, memorial; F. E. Mitchell, Calgary, emblem; George E. Edmondson, Tampa, employment.

Named to the publicity committee were Hubert D. Harris, Toronto, for Canada; Mark A. Wells, Los Angeles, west; Howard J. Burrige, Cincinnati, central west; Leonard R. Snyder, Philadelphia, east, and J. F. Miazza, Dallas, south.

Falls Ready to Extend Services of Institute

Insurance Institute of America is now preparing to enlarge the scope of its insurance educational work as Laurence E. Falls takes office as secretary-treasurer, succeeding E. R. Hardy. Mr. Falls will devote his entire time to this work and will proceed to organize Institute courses for company and agency employees through local insurance societies and by way of correspondence. Special emphasis will be placed on making the facilities available to insurance employees in places outside of the metropolitan areas. Mr. Falls is convinced that employee education is the corner stone of effective public relations.

Insurance Telephone Book for Chicago Published

The new 1948 edition of the Chicago Insurance Telephone Directory published by THE NATIONAL UNDERWRITER now is off the press and is being distributed. This incorporates the new Wir-O binding which permits the volume to lie flat on the desk while being used.

The directory is increased in size and much improved. Names of managers have been added to the company listing wherever practicable.

As in previous years the front section is devoted to insurance offices and people in the Insurance Exchange building and the back section, set off by a cardboard separator with a thumb index, shows offices outside the Exchange.

The directory always has been a market place of insurance through advertisements and cards which it contains. There are many more such listings in the 1948 edition. Post office zone numbers are indicated. At the back is a "Service Guide" of recommended firms specializing in insurance company accounts.

The single copy price is \$1 and the directory may be secured through the Chicago office of this publication.

Beech Joins Preferred as Assistant to President

Raymond J. Beech has joined Preferred Accident as assistant to President Floyd N. Dull. Mr. Beech has been at the home office of American Auto, where he was assistant of production.

He was formerly with General of Seattle in agency and underwriting posts. He joined General in 1941.

Discuss Abandonment of General Agents' Meeting

SAN FRANCISCO—There has been some discussion of abandoning the annual meeting of American Assn. of Insurance General Agents, which had recently been set for May 16-19 in this city.

The general agents are very much up in the air as a result of the merger of Home affiliates with the parent company, which affects the status of many general agency officers.

Everson to Vernon General

Leslie C. Everson has been appointed special agent for Vernon General in Indiana.

Mr. Everson started in the business in 1930 with Aetna Fire at Cincinnati. Later he was special agent for American in Ohio. Most recently he has been Indiana state agent of Firemen's.

J. L. Campbell Advanced

Joseph L. Campbell, manager of fire reinsurance underwriting at the head office of Employers Reinsurance, has been elected an assistant secretary. He joined Employers a year ago to conduct fire underwriting operations, a field with which he has been connected 21 years.

Ogburn D. C. Manager

Thomas B. Ogburn, Jr., has been appointed manager at Washington, D. C., for North America. He has been assistant fire manager at New York. He joined North America in 1935. He served in the marines and was twice wounded in Okinawa.

Standard Fire of Hartford has elected Rawdon W. Myers, vice-president and comptroller of the Aetna Life companies, and Wilmot M. Smith, vice-president of Aetna Casualty, as directors.

The Seattle Blanket Club, young men's insurance organization, launched the N.A.I.A. course on burglary and glass insurance.

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from reddish brown earth . . .

From the reddish brown earth comes iron ore for the tools and materials of America and the world . . . converting this ore to steel and its endless uses is a vast framework of labor, management, invested capital, transportation, mills and factories. Giving this American framework its being are millions of free men working under a free enterprise system. Through their labor and genius, steel and the products of steel perform their unfailing service in every nook and cranny of this great country and in the farthest reaches of the world. Indeed, steel is everywhere performing its assigned task with lasting dependability. Like the service of steel, *The American Insurance Group*, through its 10,000 agents and brokers, serves the growing American Economy by providing ever-improved and ever-expanded quality protection against loss.

THE 1846 American Insurance Group
Newark, New Jersey

The American Insurance Co. Bankers Indemnity Insurance Co.
The Columbia Fire Insurance Co.
Dixie Fire Insurance Co. The Jersey Fire Underwriters

Improvements, Betterments Problem Treated by Wolfe

Attorney H. O. Wolfe of Milwaukee contributes to the January house organ of Western Adjustment an enlightening discussion of the problem of insuring improvements and betterments which has been particularly troublesome during the past year.

The insuring of a tenant "lessee's" interest in betterments and improvements

to demised buildings has always presented a problem, he writes. It has been accentuated since the adoption in 1943 of the new standard fire policy by New York. It is more particularly emphasized by the subsequent adoption and use of building and contents form No. 18 (August, 1946, edition), and single state reporting form A, form No.

160 (Edition, October, 1945).

The new insurance policy eliminates the requirement that the insured be the "sole and unconditional owner" of the insured property as well as many defenses, such as the forfeiture or suspension of the policy resulting from commencement of foreclosure proceedings, change in title and interest, chattel mortgage incumbrances, and others, which the courts have often treated as affecting the moral hazard of the risk. The new policy insures:

"... to the extent of the actual cash value of the property at the time of loss ... but not exceeding the amount

which it would cost to repair or replace the property ... nor in any event for more than the interest of the insured ..."

While a fire insurance policy is supposedly a contract of indemnity, it is not difficult to conjure up situations which, with the assistance of liberal court interpretations, will require insurers to pay more than a full indemnity for losses. This possibility is doubly true in the coverage afforded in the betterments and improvements field under the new policy and forms.

Under building and contents form No. 18 (Aug. '46, Ed.) the definition of "contents" is supplemented by the following clause:

"Liability is also assumed under this item for loss to the insured's interest in improvements and betterments to the building described herein (excepting when building is owned by the insured or when said improvements and betterments are covered jointly in the name of the owner of the building and the tenant or lessee)."

Single state reporting form No. 100 (Oct. 45, Ed.) contains the following clause:

"Item C. — IMPROVEMENTS AND BETTERMENTS to buildings, except to buildings owned by the insured, or while located on the premises of any manufacturing plant owned or controlled by the insured. This company agrees to accept and consider the insured in the event of loss or damage in the position of sole and unconditional owner of such IMPROVEMENTS AND BETTERMENTS, any contract or lease the insured may have made to the contrary notwithstanding."

Provisions of Lease

Leases pertaining to commercial and industrial property generally have the provision that betterments and improvements, such as new elevators, store fronts, lighting and heating fixtures, inside decorations, etc., are to be made at the expense of the lessee, and such as are of a permanent nature become the property of the lessor, subject to the peaceful use thereof by the lessee during the term of the lease.

In the absence of a specific agreement in the lease, many installations, alterations and additions made by the lessee are removable at the expiration of the term. Such items are classed as personal property, with the lessee being the sole owner thereof. But the status of such installations, additions or alterations oftentimes present vexing questions difficult of determination because when physically annexed or otherwise made a permanent part of the leased premises, the same become fixtures and are no longer considered as the lessee's property, but a permanent part of the lessor's realty, and may not be removed by the party annexing it as against the owner. An important exception to the rule is made in the case of trade fixtures. An article is considered to be a "trade fixture" if annexed for the purpose of aiding in the conduct by the tenant of a calling exercised on the leased premises for the purpose of pecuniary profit. 36 C. J. S. 975.

Whether articles thus installed by the lessee are fixtures, i.e., real estate, and therefore not removable is determined generally by actual physical annexation to the real estate; application or adaptation to the use or purpose to which the realty is devoted; and an intention on the part of the person making the annexation to make a permanent accession to the building.

Landlord and Tenant

As between landlord and tenant, or one in temporary possession of a building under an agreement for the use thereof, the law is extremely indulgent to the lessee with respect to chattels annexed for a purpose connected with such temporary possession. The majority of our state courts now hold that the controlling test is the intention of the parties at the time the chattels were attached to the premises, with the matter of the character of the physical annexation of comparatively little import-

(CONTINUED ON PAGE 13)

INSURANCE CALENDAR



FEBRUARY

On February 26, 1845, Buffalo Bill Cody was born—nine years after the Colt Revolver. Colt helped push the great American frontier westward, eliminating hazards, establishing security. If you substitute the hazard of fire for that of red-

skins, you'll find in his wake, a similar tradition carried on by leading capital stock fire insurance companies and their sponsored National Board of Fire Underwriters—solemnly dedicated to eliminating hazards and establishing security for you.

1946—FEBRUARY hath 29 days "Leap Year—when the hunter becomes the hunted!"

- 1—Sa.—☾ Last Quarter, 7:31 P. M., E. S. T.
- 2—M.—☾ If you are planning to buy more insurance, do it now. Delay may prove costly.
- 3—Tu.—1944, the ancient Abbey of Mount Cassino, enemy-held, destroyed by U.S. planes.
- 4—W.—1902, Chas. A. Lindbergh born.
- 5—Th.—1631, Roger Williams, founder of Rhode Island, arrived in America.
- 6—Fr.—1892, Fire destroyed Hotel Royal, New York City—28 lives lost
- 7—Sa.—☾ To avoid the penalties of shrunken coverage, have your property insurance renewed often.
- 8—Su.—1902, 456 buildings destroyed in Paterson, N. J., fire—estimated property loss, \$5,000,000.
- 9—M.—☾ New Moon, 10:02 P. M., E. S. T.
- 10—Tu.—1939, death of Pope Pius XI.
- 11—W.—☾ Ash Wednesday. 1893, the Noronic, a White Star liner, vanished on her maiden trip.
- 12—Th.—1809, LINCOLN'S BIRTHDAY.
- 13—Fr.—1935, Hauptmann sentenced to die for murder of Lindbergh baby.
- 14—Sa.—☾ St. Valentine's Day. 1933, epidemic of bank holidays began in Michigan.
- 15—Su.—1942, Singapore surrendered unconditionally to Japanese.
- 16—M.—1935, first Italian troops left for Africa.
- 17—Tu.—☾ First Quarter, 8:55 P. M., E. S. T.
- 18—W.—1934, King of Belgium, noted mountain climber, killed by falling from a cliff.
- 19—Th.—1939, Golden Gate International Exposition opened at San Francisco.
- 19—Th.—1473, Copernicus great Polish astronomer born. 1878, phonograph patented.
- 20—Fr.—1915, Panama-California exposition held in San Diego.
- 21—Sa.—1922, Dirigible balloon Roma exploded at Hampton, Va., killing 34.
- 22—Su.—1732, WASHINGTON'S BIRTHDAY.
- 23—M.—1942, California coast shelled by enemy submarines.
- 24—Tu.—☾ Full Moon, 12:16 P. M., E. S. T.
- 25—W.—☾ 1943, Maine shipyard fire. \$350,000—\$750,000 property loss. Production loss unestimated.
- 26—Th.—☾ Checks on property insurance should be regular, frequent, through your Agent or Broker.
- 27—Fr.—1933, German Reichstag building in Berlin destroyed by fire.
- 28—Sa.—1943, great quantity of foodstuffs destroyed in \$3,000,000 Oakland, Calif. fire.
- 29—Su.—1704, Deerfield, Massachusetts attacked by French-Indian troops.

OBSERVATION for February: What was sufficient insurance in the light of 1945 replacement prices will today be very inadequate... for building costs and all others have advanced sharply in the last three years.

PROPERTY INSURANCE
Fire—Auto—Marine—Aviation

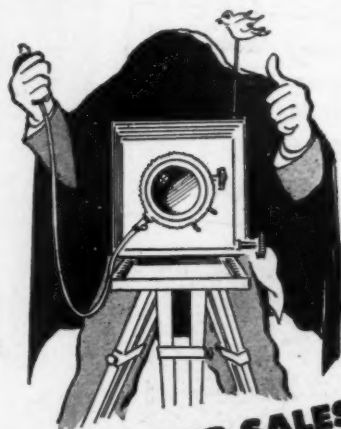
FIRE ASSOCIATION GROUP

Fire Association of Philadelphia
The Reliance Insurance Company
PHILADELPHIA



Lumbermen's Insurance Company
Philadelphia National Insurance Company
PENNSYLVANIA

SYMBOL OF SECURITY SINCE 1817



FOCUS YOUR SALES
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PROFITABLE SCENE

A brief look around your territory should convince you that camera fans are plentiful and their equipment valuable.

Photography as a hobby has become increasingly popular during the last ten years. Cameras and the many items of related equipment, such as exposure meters, enlargers and projectors, are really precision instruments—and as such are relatively costly and easily damaged. Many persons of average means have poured savings into the concentrated cost of an expensive camera—frequently the most valuable thing they own.

Few amateur photographers are aware of the inexpensive, all risk coverage available for this type of equipment—and that's where you step into the picture. Develop new contacts and re-establish old ones by stressing this low-cost camera coverage in your territory.

Point out that this is practically all risk insurance, and as such it covers many loss hazards not included in Fire insurance and Residence Burglary insurance. Any help you may need will be gladly given by your local Fire Association Group field representative.

Fire Association Group, 401 Walnut Street, Philadelphia 6, Pa. Branches in Atlanta, Chicago, Dallas, New York, San Francisco, Toronto.

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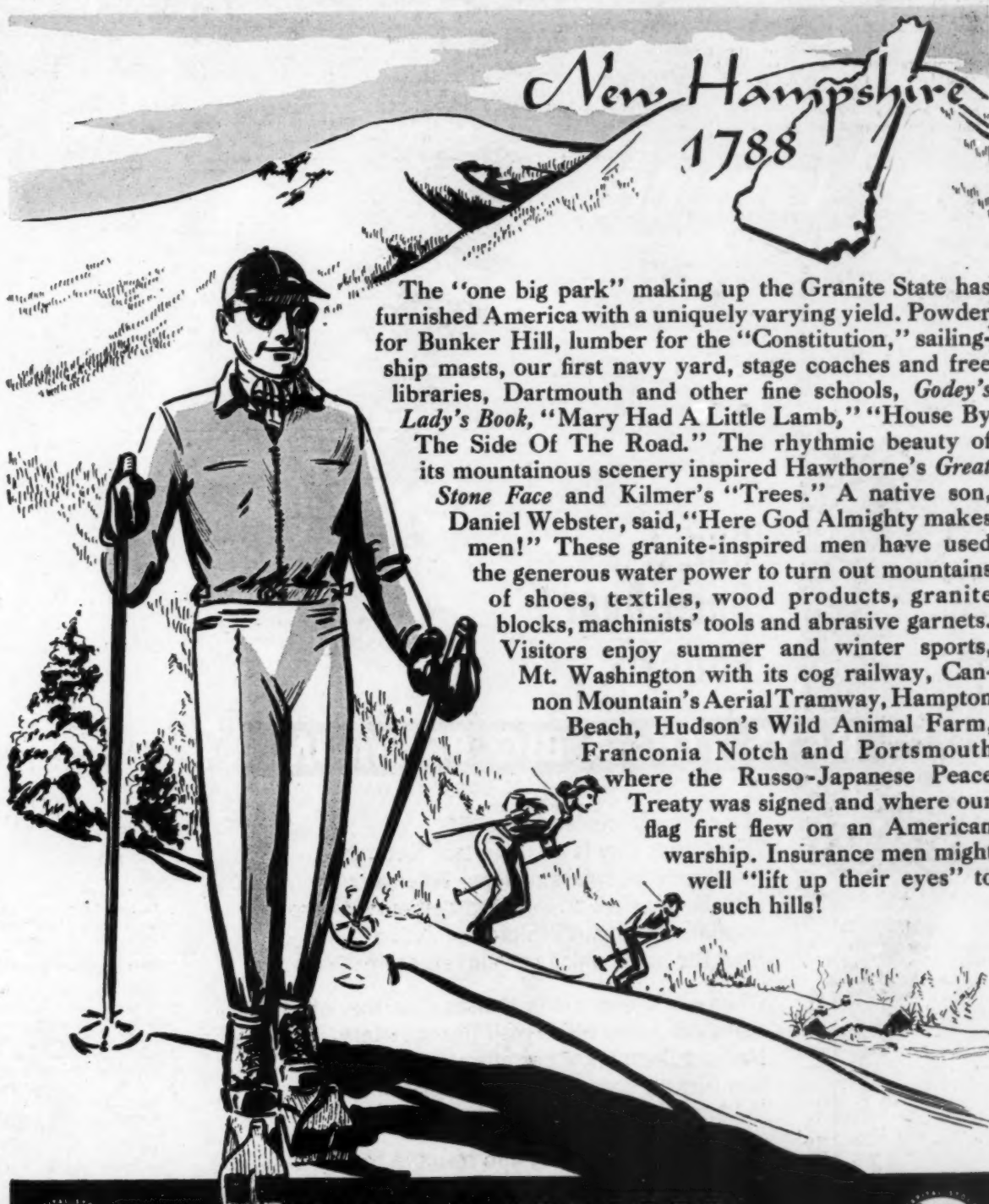
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The "one big park" making up the Granite State has furnished America with a uniquely varying yield. Powder for Bunker Hill, lumber for the "Constitution," sailing-ship masts, our first navy yard, stage coaches and free libraries, Dartmouth and other fine schools, *Godey's Lady's Book*, "Mary Had A Little Lamb," "House By The Side Of The Road." The rhythmic beauty of its mountainous scenery inspired Hawthorne's *Great Stone Face* and Kilmer's "Trees." A native son, Daniel Webster, said, "Here God Almighty makes men!" These granite-inspired men have used the generous water power to turn out mountains of shoes, textiles, wood products, granite blocks, machinists' tools and abrasive garnets. Visitors enjoy summer and winter sports, Mt. Washington with its cog railway, Cannon Mountain's Aerial Tramway, Hampton Beach, Hudson's Wild Animal Farm, Franconia Notch and Portsmouth where the Russo-Japanese Peace Treaty was signed and where our flag first flew on an American warship. Insurance men might well "lift up their eyes" to such hills!

CRUM & FORSTER
 MANAGER

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UNITED STATES FIRE INSURANCE CO. Organized 1824	RICHMOND INSURANCE CO. of New York Organized 1836
THE NORTH RIVER INSURANCE CO. Organized 1822	THE WESTERN ASSURANCE CO., U. S. Branch Incorporated 1851
WESTCHESTER FIRE INSURANCE CO. Organized 1837	THE BRITISH AMERICA ASSURANCE CO., U. S. Branch Incorporated 1833
THE ALLEMANNIA FIRE INSURANCE CO. of Pittsburgh Organized 1868	SOUTHERN FIRE INSURANCE CO., Durham, N. C. Incorporated 1923

WESTERN DEPT. FREEPORT, ILL. PACIFIC DEPT. SAN FRANCISCO SOUTHERN DEPT. ATLANTA ALLEGHENY DEPT. PITTSBURGH CAROLINAS DEPT. DURHAM, N. C.

Illinois Field Men Hold Four-Way Rally

150 Attend Springfield Meeting; Public Relations Program Prepared

Four Illinois field organizations assembled at Springfield last week for a general roundup and to line up the public relations program for 1948. Illinois Blue Goose, Illinois Field Club, and Illinois Fire Underwriters Assn. held their midyear meetings, and Illinois Fire Prevention Assn. conducted its annual gathering and election. More than 150 attended.

The Blue Goose held a dinner the first evening with 142 on hand. Most Loyal Gander Harry J. Conklin, Loyalty group, presided at this function. Speaker was J. Ray Hull, American States, Indianapolis, grand custodian. Eighteen goslings took their first swim, with the admonition delivered by Mr. Hull, and the charge by D. J. Harrigan, St. Paul F. & M.

A feature of the meetings was the

awarding of prizes for the 1947 state golf tournament. Robert W. Sundlof, Hartford Fire, was first, and Kenneth A. Longley, Security, and Homer Sturgeon, Pearl, received prizes for a second place tie.

Edgar R. Miller, North British, supervisor, announced that the spring party will be April 3 at the Chicago Yacht Club.

I.F.U.A. and Illinois Field Club held concurrent business meetings the second morning, but later gathered for a joint session on public relations and for the fire prevention meeting.

Lloyd W. Brown, second vice-president of Loyalty group, led a discussion at the Field Club meeting on current trends.

The importance of reporting agency balances was stressed by Frederick Gorder, Phoenix of Hartford, president of I.F.U.A., in his remarks. He said the situation is definitely worsening, and that in the past year there have been as many reports on delinquents as in the previous five.

The I.F.U.A. took in 18 new members. Memorials were read for the late W. L. Bennett, Cook county manager of Hartford, and for LeRoy Swanson, state agent of Springfield F. & M. All those present signed a card of best wishes to

Wallace Rodgers, W.U.A. public relations managers, who subsequently died at St. Francis hospital, Evanston. Mr. Rodgers prepared the program for the afternoon, and put the finishing touches on it from his bed.

New officers elected by the Illinois Fire Prevention Assn. at its meeting were: President, C. M. Wilcox, New Hampshire; vice-president, A. C. Schilke, Hartford Fire, and secretary, H. A. Elkin, Camden Fire. Herbert Hohenstein, Commercial Union; LeRoy Hines, Ohio Farmers, and J. P. Swigart, Springfield F. & M., were elected to the executive committee. Mr. Wilcox has been acting president since G. L. Hubbard, former state agent of Boston, took up new duties in Texas.

Mr. Elkin, in his report as secretary, noted that Illinois was fourth in the W.U.A. field in number of town inspections and fourth in number of risks inspected and number of recommendations. The next inspections, he stated, will be at Geneva, March 2; and Watseka, April 8.

Harry K. Rogers of the fire prevention department of Western Actuarial Bureau, was speaker at the fire prevention meeting.

Speakers to lead off the afternoon meeting were Will S. Ellis, assistant

manager at Chicago of Royal, and Zea Gassman, Illinois superintendent of farms and dairies, who discussed the activities of his department.

U. & O. POINTERS

Mr. Ellis gave some valuable pointers on selling U. & O. He said to sell this contract the agent must forget the old fire insurance standby of how much is the property worth, and take up the angle of how much it is earning. If that attitude is established, any question of coverage can be answered by common horse sense, he declared.

He warned against giving any long-winded explanation of the contract. It can be outlined in a single sentence, such as "if your plant is destroyed by fire, you receive your net profits from the insurance company until the plant is rebuilt, or until the insurance is exhausted."

The longer the prospect is permitted to talk, the better he will like the salesman and the more convinced he will be that he could use U. & O., Mr. Ellis said. However, he should never be permitted to decide what his needs are—he should be given all the rope he needs to describe his situation and then the agent can step in and tell him that he requires a certain coverage. Neither should the prospect have a chance to talk rates or premium. If he does that, he will start thinking price, Mr. Ellis observed, and will try to find the cheapest way out.

If, after the contract has been presented him, he maintains he cannot afford it, some items can be reduced or eliminated, but each time the prospect should be told that something is being deleted from his coverage.

Conditions Confuse Prospect

Many agents and field men make the mistake of talking contract conditions, Mr. Ellis said. This only confuses the prospect. He advised that that subject not be brought up. If the prospect insists on discussing it, a good answer is to explain that the contract is drawn to fit the needs of all businesses, and no single firm can expect to have those varied conditions apply to it alone.

George W. Traver, manager of public relations for the National Board, and Walter Dithmer, chairman of the Indiana Fire Underwriters Assn. public relations committee, spoke at the public relations session. Mr. Traver reviewed the work of the board and told of its plans for the future.

Field Man's Part Told

Mr. Dithmer gave an excellent explanation of the field man's part in a public relations program. He listed some of the activities of the Indiana group and said that the field men must be in the forefront of this work.

J. S. Murgoon, Security, chairman of the public relations committee, was in charge of this session. Illinois Field Club and I.F.U.A. will get together again for their annual meetings. It will be June 9-11 at the Lake Lawn hotel, Delavan, Wis.

Earl F. Leach Named G.A.B. General Adjuster in East

Earl F. Leach has been appointed a general adjuster of the eastern department of General Adjustment Bureau. He has been at Jersey City and his successor there is Sheldon E. Garrabrant, formerly senior adjuster in that office.

Mr. Leach joined G. A. B. at Newark in 1925. He was transferred to Asbury Park as an automobile adjuster in 1930 and subsequently was moved to Paterson. In 1936 he was placed in charge at Trenton and in 1938 returned to Newark as staff adjuster. He has been Jersey City manager since 1942.

Mr. Garrabrant joined the bureau at Newark in 1941 after 15 years of loss experience. He was appointed manager at Cumberland in 1945 and in 1947 was transferred to Jersey City.



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The centrally located home office of The Kansas City is an important factor in our agents' business picture. Whenever a problem arises, an overnight air mail, a wire or phone call results in prompt action from the home office or field representative.

When our agents are in Kansas City, they often make our home office their headquarters. Many of them know our officers personally and find friendly chats of material assistance in building their business.

Our "open door" policy can result in more efficient, more pleasant business relationships for you. You're invited to use it whenever the need arises.

Morton T. Jones
President



KANSAS CITY Fire and Marine

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of a series of advertisements to help
America Fore agents and brokers sell more insurance
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Then excitement—argument! Roadside argument does no good, but a calm recording of facts can be of great value to you.

"What to Do in Case of Accident" is a booklet we give our assureds so they will know how to act and what information to get if they are involved in an automobile accident on street or highway.

What NOT to do in case of accident—is to be caught without proper insurance protection in a large, sound company with countrywide facilities.

Practically every state in this country, and every province in Canada but one, now has a Motor Vehicle Safety Responsibility Law. Should you injure someone, or cause property damage, you may be obliged to furnish security up to thousands of dollars to satisfy any judgement which may result from such an accident.

If you have Motor Vehicle Liability Insurance in The America Fore Group—your claim facilities wherever you may be of the law, will spare you delay, possible attachment of your car, and financial loss.

We will gladly send you a copy of "What to Do in Case of Accident." Just fill in the coupon at right—send it TODAY.

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Gentlemen:
Without obligation on my part, please send me a copy of your free booklet, "What to Do in Case of Accident."

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Howland Leaves Insurance Ranks After 45 Years

Assistant Secretary Oscar M. Howland of Phoenix of Hartford has retired after an insurance career of more than 45 years, mainly spent in New England and with Phoenix.

In 1902, following graduation from Worcester Polytechnic Institute, Mr. Howland joined North British in New York city and later was special agent for Commonwealth in New York state.

He subsequently joined Connecticut

Fire in New York, and in 1921 started with Phoenix as special agent for Connecticut and western Massachusetts. He was advanced to general agent for Phoenix in 1936 and for all companies in the group in 1940. He was appointed assistant secretary in 1941.

Mr. Howland is a past president of Connecticut Field Club and a former member of the executive committee of New England Insurance Exchange.

The Harrison & Lawrence agency has moved to 705 Neave building, Fourth and Race streets, Cincinnati. Herman Harrison is the sole owner.

Public Relations Man of W.U.A. Dies

Wallace Rodgers, public relations representative of Western Underwriters Assn. died early Wednesday morning at St. Francis hospital, Evanston, Ill., after undergoing the second of two major operations. His age was 57.

Mr. Rodgers was born at Springfield, Ky., and entered insurance as a local agent there. He later became a field man for Hartford Fire and won advancement until he came head of the farm department. Then there was a period of several years when he was in the advertising business, being at one time with an agency that handled the National Board account. His next move was to W.U.A., where he initiated public relations activity that later had its counterpart in the old B.D.O. Then he became connected with National Assn. of Insurance Agents and did much effective work for that organization. He returned to W.U.A. in 1946 and was well advanced in carrying through what promised to be the most successful public relations program of his career when he was stricken with lung cancer. He was in his element in this work and he had the strong backing of W.U.A.



Wallace Rodgers

N.A.I.A. Committee Talks on Trucking Cover Problem

WASHINGTON — The long haul trucking research committee of the National Assn. of Insurance Agents met here two days. Members are Walter S. Attridge, Boston, chairman; McAlister Carson, Charlotte, N. C.; Frank N. Chandler, Baltimore; Donald A. Bolton, Jacksonville, Fla.; Harold S. Bowen, Norwalk, O. Jack Baldwin, New York, assistant secretary, N.A.I.A. is secretary to the committee.

Mr. Attridge said the meeting was to provide the trucking industry with assistance and guidance in loss prevention methods. If there has been any failure to provide proper services to the trucking industry it is because of a lack of understanding, he said. The committee is seeking to give the trucking industry proper insurance service.

Slate Stellwagen in N. Y.

Herbert P. Stellwagen, executive vice-president of Indemnity of North America, will address Risk Research Institute on contingent liability and exposures at its luncheon meeting Feb. 26 in George Washington hotel at New York.

Murphy Executive Officer; Miss Sipe Secretary

James B. Murphy, manager of the casualty department of Edward H. Walters & Co., Chicago class 1 agency, has been elected executive vice-president of the firm. Miss Ronela M. Sipe was elected secretary.

Mr. Murphy is a C.P.C.U. He joined the agency in March of 1947 after 16 years with the Hugo Dalmar agency. For the past three years he was casualty manager there.

Miss Sipe started with Walters & Co. in 1943. Previously she was with Hartford Accident in the underwriting department at Chicago.



J. B. Murphy

Speakers for Mich. Mid-Year Listed

LANSING, MICH. — Most of the speakers and discussion leaders for the mid-year convention of Michigan Assn. of Insurance Agents at Detroit Feb. 27 have been selected.

Walter M. Sheldon, Chicago, N.A.I.A. executive committeeman, will address the Friday luncheon session. Frank E. Greene, Detroit, public relations chairman for National Board in Michigan, will talk Thursday on "Facts and Trends," and James M. Cahill, secretary National Bureau of Casualty Underwriters, will discuss "Casualty Regulation" Friday.

A business production forum will be featured, with P. J. Leen, Fireman's Fund, Chicago, handling inland and ocean marine; J. E. Cryan, American Fore, Chicago, farm insurance, and Roger Quail, Standard Accident, Detroit, fidelity bonds. In connection with the farm insurance discussion, President Huttenlocher announced that he has named Don D. Kay of Lapeer chairmanship of the farm committee.

"Agency Management and Expense" will be discussed Friday by R. J. Lansing, vice-president Rough Notes Co. and Austin Jenison, Lansing local agent.

Commissioner Forbes will address at least one session and Gov. Sigler has indicated he may be able to attend the Friday luncheon. Agents who will have a leading part in the program include George Carter, Detroit Insurance Agency, conference committee chairman; Walter B. Cary, Michigan Insurance Agency, Detroit, immediate past president and national director, and Van Rudd, president Detroit association.

Col. Jack Major, Paducah, Ky., humorist, will be a banquet speaker. An "agents only" session will be held Friday morning. A breakfast conference on education also is scheduled Friday, with H. Thompson Stock and M. Robert Olp, both of Detroit, in charge.

Stock Selling Seen at End; \$80 Million Capital Raised

The series of fire company stock sales to increase capital has about ended for the present according to a leading insurance stock selling firm. Some casualty companies are now said to be considering stock sales to increase capital to handle automobile business.

The fire insurance share market went through a period of slight indigestion toward the end of the year and some minor difficulty was encountered in making sales. Approximately \$80 million had been added to fire company capital by these sales which began principally in late spring, 1947. Buyers of these stocks were mostly universalists, trusts, charitable foundations, and conservative private investors.

PURCHASING AGENT

This man has 15 years of excellent experience as Purchasing Agent for the H O of two casualty companies. In addition, he has supervised office service, printing and supply department. His age is 43 and his record is very good. Will locate in any section and asking \$5000 per year.

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Highlights in Insurance History

BEGINNING OF SPECIALIST UNDERWRITERS

In the mid-1700's the Underwriter of today's type first began to be known. As the variety of risks increased a real need for specialized knowledge developed. No longer could a busy merchant toss off a bit of insurance writing on the side, it was becoming too complicated. A new type of broker arose, "Not an Office Keeper, but one who acted as a broker for discounting Notes and did sometimes make Policies." Ordinary marine risks had settled into five classes: Ships (S), Goods (G), Money (Mo), Bottomry Bonds (B) and Respondentia Bonds (Ra). Some brokers were beginning to be known for one special kind of insurance. These brokers began a closer association with each other because of mutual interests and problems, and worked out certain insurance rules of procedure among themselves.

The National Union and Birmingham Fire Insurance Companies have witnessed the evolution of many services now taken for granted in the insurance field.

National Union and Birmingham

FIRE INSURANCE COMPANIES
PITTSBURGH PENNSYLVANIA



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Of Every Description
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Belonging Counsels Brokers How to Avoid Commingling

NEW YORK—The broker should establish a system of office procedure which has production as its keynote, simplification as its pattern, and profit as its ultimate goal, Oscar Beling, superintendent agency systems department, Royal-Liverpool, told Brooklyn Insurance Brokers Assn. at its February meeting.

In discussing the practical aspects of avoiding commingling, now prohibited by the New York law, he said that an increasing number of producers find prudent and conservative to deposit approximately 80% of each day's receipts in one bank account and 20% in another. The 80% is used solely for accident, day company balances. From the 20% connection will account all operating expenses of the agency are paid. This gives the agency that he has marked funds to discharge its obligations to its companies. It is a good system to follow even when no statutory requirements are involved, he stated.

Key to Problem

The key to the problem, whether it is in an agency or brokerage office, is the computation of the commission on each premium. Regardless of when the commission is computed, the system should provide for determining at regular intervals, the totals of commissions collected premiums, in order that they may be separated from the trust company account and the operating account.

The use of invoice carbon copies for various records is spreading because the plan makes it possible to produce the records simultaneously as a by-product of the original invoice and it insures fast and accurate. Although it is necessary to prepare a separate invoice set for each policy, the paper used is much cheaper than human effort, and filing carbon copies takes much less time than individual posting.

Line Folder Plan

The line folder plan based on the filing of daily reports alphabetically by customers' names is also coming into wide usage. The primary interest of the broker is his customer and the plan enables the broker to build his primary records around his customers, and can consult the records without referring to intermediate books or cards. It permits the combination of daily reports with line records. Finally from the functional standpoint the combination of the alphabetical index, daily reports line records, correspondence, expiration control, and production guide all in one results in fewer files, and fewer errors. Changes in location of a risk are more readily recorded, non-concurrencies are promptly detected and corrected, and individual surveys more easily prepared.

The entire office recognizes more fully that business comes from named individuals and each member of the staff becomes more sales conscious.

RFC Loan Guaranteed by British Firms Being Repaid

Reconstruction Finance Corp. has been repaid about 55% of the \$390 million loan it granted to the British government in 1941 to pay for war supplies before lend-lease went into effect. When the loan was made, American branches of British industrial and business firms, including insurance companies, pledged stocks to guarantee repayment of the loan, and the loan is being repaid out of the earnings of those branches.

When the American branch of a British insurer or other business and industrial firm participating in the original arrangement makes payment to RFC on the loan, the British government pays the home office in Britain a like amount in pounds, figured at the official

rate of exchange. Thus dollars are not pulled out of England, and the insurer is immediately repaid the money at the home office. Participation of the insurers in the arrangement would last until the loan has been repaid to the extent of that participation.

Herndon on Circuit

Maurice Herndon, assistant in the Washington office of National Assn. of Insurance Agents, started on a southern circuit Monday when he appeared at a meeting of the local board at Fort Smith, Ark. The next day he was at

Little Rock and Wednesday at Pine Bluff. He is due at Pensacola Feb. 6; Houma, La., Feb. 11; Lafayette, La., Feb. 12; Lake Charles, Feb. 13; Baton Rouge, Feb. 16; New Orleans, Feb. 17; Alexandria, Feb. 18; Shreveport, Feb. 19, and Monroe, Feb. 20.

Carl Fisher to Atlanta

Carl Fisher, state agent of National Fire, is being transferred from Montgomery to Atlanta and will operate over Georgia and Alabama.

Special Agent Henry R. Seawell, Jr., of Montgomery will continue his more

direct supervision of business in Alabama with the active assistance of General Agent Hugh T. Powell of Atlanta and Mr. Fisher, both of whom will spend much time in Arkansas.

Mr. Fisher graduated from Oklahoma University in 1932, then operated a local agency in that state, and later got field experience. He served as a navy officer during the war.

The French & Wilhelm agency, Erick, Okla., has been dissolved, Jay French buying the Wilhelm interest and consolidating with B. R. Simmonds as French Simmonds.



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GROUP
of
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Insurance Company, Hartford, Conn.
1854

The Connecticut
Fire Insurance Company, Hartford, Conn.
1850

FOUTABLE
Fire & Marine Insurance Company
Providence, R.I.
1859

ATLANTIC FIRE INSURANCE CO.
Raleigh, North Carolina

THE CENTRAL STATES FIRE INS. CO.
Wichita, Kansas

GREAT EASTERN FIRE INSURANCE CO.
White Plains, N. Y.

MINNEAPOLIS F. & M. INSURANCE CO.
Minneapolis, Minn.

RELIANCE INS. CO. OF CANADA
Montreal, Canada



HARTFORD
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CHICAGO
Insurance Exchange

NEW YORK
110 William Street

SAN FRANCISCO
220 Montgomery Street

MONTREAL
485 McGill Street



All Forms of Fire and
Property Insurance including
Ocean and Inland Marine
Country-wide Brokerage Service

TIME TRIED & FIRE TESTED

Await Verdict of Forbes on Mich. E. C. Rates

LANSING—Commissioner Forbes is expected to decide this week whether to confirm his tentative disapproval of existing extended coverage rates in Michigan. He conducted a hearing Jan. 28 and has 10 days to reach a decision.

The insurers were represented by Russell D. Hobbs, manager Western Actuarial bureau, and John Bell, assistant manager, Michigan Inspection bureau. They argued that Michigan rates should follow the regional pattern and they contended that wind hazards, chief element in extended coverage costs, are similar, from the standpoint of general conditions, to those existing in other midwestern states. They contended that the loss ratio for the region including Michigan has approximated 45%.

Mr. Forbes, however, cited the actual loss experience in Michigan, amounting to a 24% "earned loss ratio" over the past five years and also contrasted the rates being charged in adjacent Ontario as proof that Michigan is entitled to lower rates. He said the Ontario E. C. rate for brick dwellings is 5 cents, compared with 30 cents in Michigan; 20 cents for frame dwellings, compared with 30 here, and 6 for apartments, compared with 70 in Michigan.

Extended coverage premiums in Michigan run about \$6 million, Mr. Forbes said, of which householders pay about \$3,600,000. He said the business has grown greatly in volume in the past few years and has become an important element in property insurance costs. He noted the fact that cost generally of writing the business is less than for straight windstorm, which this plan succeeded, as there is no separate policy and the whole transaction is made a part of fire insurance. Higher volume is secured because insurance is carried for the full amount of fire coverage whereas windstorm coverage usually was written in much smaller amounts.

Horace B. Corell, deputy commissioner, and Maurice Moule, assistant attorney general, also represented the department at the hearing.

Two Deans Featured at Illinois Federation Parley

The annual luncheon meeting of Insurance Federation of Illinois March 3 will bring together on the same platform the deans of the life and the fire-casualty "colleges." They are David J. McCahan of University of Pennsylvania, who is dean of American College of Life Underwriters, which awards the Chartered Life Underwriter designation, and Harry J. Loman, also of University of Pennsylvania, dean of American Institute for Property & Liability Underwriters which awards the Chartered Property & Casualty Underwriter designation.

This meeting hence will strongly emphasize educational aspects of insurance.

Allen, Truscott Named to National Board Committee

C. E. Allen, Pacific Coast manager of Northern Assurance has been elected to the executive committee of the National Board to fill the unexpired term of John C. Bunyan, retired Pacific department manager of Commercial Union.

Barry Truscott, president of Camden Fire, has been elected to fill the term of John F. Gilliams, who is now chairman of that company.

N. H. Canadian Shift

New Hampshire and Granite State hereafter will handle British Columbia business from Montreal. It has been supervised by John A. Whalley & Son, Seattle.

Reinsurer Projected by Farm Groups

American Agricultural Insurance Co. is being formed by interests in the Illinois Agricultural Assn. to do a reinsurance business for fire and casualty companies affiliated with the Farm Bureau movement.

The preliminary steps have been taken and it is anticipated the company will be operating within 60 days. There are some 16 casualty and 10 fire companies affiliated with farm bureaus in various states and others are in process of organization in other states. The new company will start with these companies as the source of its business.

Heretofore, reinsurance for these companies affiliated with agricultural interests has been handled by London Lloyds and several farm bureau insurers, including County Mutual Fire of Illinois. Reinsurance business, it was said, will be secured by retrocession and by purchase from the various companies.

Financing has been arranged, with about \$750,000 capital and \$250,000 surplus projected. The money is expected to be paid in within 30 days.

In two or three weeks it is likely there will be an organization meeting, when officers will be elected and final details completed. Allen Kline of Iowa, president American Farm Federation, is expected to be elected president and R. Short of Brinkley, Ark., the vice-president. Donald Kirkpatrick, general counsel of the County Mutual companies, and John Casey, secretary A.F.B.F. have been active in the organization process.

It has not yet been decided where the company will be domiciled. Laws of Illinois are not completely satisfactory for the purpose. It is, however, hoped headquarters may be in Chicago.

Little Backing for Again Extending Moratorium

At present sentiment seems to indicate that the insurance companies won't ask for an extension of the July 1 moratorium in connection with rating legislation. It is a long time till the end of June, however, and much may happen before then.

Even if some states do still not have rate legislation by the expiration date, it is believed that if the industry keeps Congress informed, that body will not immediately set about to inject the federal government into the non-regulated states. In other words, there would be an inclination in Congress to give the laggards time to take care of the matter.

Boston Discussion Course

BOSTON—Insurance Library Assn. of Boston in cooperation with Bay State Club will conduct a discussion course running March 8-April 5, on the Massachusetts standard fire policy, its clauses, forms, loss adjustments and the assured.

The textbook used has been entirely revised by the discussion leaders who include Carl E. Hurst, Connecticut Fire; J. N. Duffey, Springfield F. & M. Insurance Co.; C. J. Stalliday, American; A. H. Clarke, Springfield, and A. H. Stafford, Boston.

The course is limited to 25 students and prompt enrollment is suggested.

Gulf-Atlantic Report

The combined net premiums of Gulf and Atlantic of Dallas last year totaled \$6,107,330. On a written basis including adjustment expenses, the loss ratio was 41.06 and on an earned basis, 48.16. The comparable ratios in 1946 were 45.64 and 54.9.

The surplus of Gulf is now \$1,753,398 as compared with \$1,575,724 the year earlier.

McIntosh Opens Adjusting Office at Nashville

J. J. McIntosh has opened an independent adjusting office in the Baxter building, Nashville.

Mr. McIntosh started in the business with Illinois Agricultural Assn. companies, and in 1934 joined Western Adjusters, and from 1942 to 1947 was manager at Galesburg, Ill. Most recently he has been with Hutchison & McKelvey, Nashville adjusters.

Indiana 1752 Club Formed

W. S. Biggs, district agency supervisor for Lumbermens Mutual Casualty, was elected the first president of the Indiana 1752 Club at the first annual meeting in Indianapolis. C. A. Rehling, Grain Dealers National Mutual Fire, was elected secretary-treasurer.

The new club laid plans for monthly dinner meetings of all mutual company field men and for regional clinics for mutual insurance agents. The first dinner meeting will be held at the Riley hotel, Indianapolis, Feb. 23.

Guaranteed Profit Deal

Germantown Fire has accepted nearly \$2 million of reinsurance premiums on a guaranteed profit basis, President A. O. Rosenlund reported at the annual meeting. It is understood that this business was placed with Germantown prior to the end of the year by one of the largest groups in the country.

O.K. Concurrent P.D. in Wash.

Commissioner Sullivan of Washington has announced a ruling permitting issuance of concurrent automobile physical damage policies. The new policies are the result of difficulty in obtaining reinsurance on high limit risks. The department has approved a distribution clause which permits two or more companies to accept parts of the risk.

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Colo. Agents Condemn 'Unilateral' Commission Cut

A sizable delegation of members of Colorado Assn. of Insurance Agents gathered with the directors at a meeting at Colorado Springs at which a resolution was adopted expressing opposition in principle to unilateral change of contract by fire insurance companies. The extended coverage commission adjustment question was reviewed by Dell G. Van Gilder and Herbert G. Leibman.

The resolution declared that the standard fire insurance agency contract provides for a scale of commission "as shall be mutually agreed upon." It states that overhead expenses of agency operation have materially increased since 1943 and that the supervisory committee of Rocky Mountain Fire Underwriters Assn. agreed by letter of Oct. 25, 1943 that no material changes in commission scale be made without prior conference with the Colorado agents association. The resolution states that the proposed change in commissions is not material in money, but it is very material in principle.

It was brought out that Frederic Williams, secretary of Rocky Mountain Fire Underwriters Assn., stated in reply to a letter from an agent: "You are correct in stating that the question of compensation is a matter of contract between your agency and the companies which you represent, and the question of any change in compensation will rest with them." This, the Colorado Springs conferees stated, indicated that Mr. Williams "clings to his original idea that these are unilateral contracts with the companies, and they only holding the right to determine the rate of commission."

Company Action Differs

The Colorado group stated that some 20 fire company groups have notified agents of the commission changes, but many more have not taken any action, and some managers have expressed sympathy for the position of the agents. The group recommended that individual agents enter vigorous protest against any commission reduction because legal opinion has been given that to ignore a notice of a reduction may carry an implied acceptance. The agents should request their companies to postpone any change until the cost survey that is being conducted by N.A.I.A. is completed.

Sam Jones, Pueblo, reported as chairman of the agency qualification committee. He says he has obtained from Commissioner Kavanaugh, an expression as to how far he will be willing to go in supporting legislation to elevate standards for agents licensing.

Following a request by state authorities for assistance in handling the insurance on some of the state institutions, a public business committee was created headed by Ralph P. King of Montrose, and the committee embraces the presidents of seven local associations.

Plans were initiated for a midyear sales conference in April with the appointment of Robert L. Krouse of Colorado Springs as chairman, along with Peter J. Walsh and E. Neal Smith of Denver.

Pa. Auto Dealer-Agent Can't Take Commissions

Commissioner Malone of Pennsylvania has conveyed to insurers an opinion of the attorney general that unless it is an isolated transaction in an otherwise active agency, a motor vehicle dealer who is fire insurance agent may not receive any part of the agent's commission on fire, theft and collision insurance placed upon a motor vehicle which he

sells on bailment lease, or other time payment plan. Nor may a motor vehicle dealer who is not an insurance agent, directly or indirectly, share in the agent's commission for fire, theft and collision insurance which is placed upon any motor vehicle sold on bailment lease, or other time payment plan.

Mr. Malone suggests that the companies involved advise their agents of this opinion and instruct them to be guided accordingly in the future.

Offers Simple Explanations

A 32-page booklet that explains fire insurance in easily understood language, "The New Way to Buy Insurance," has just been published by Central Manufacturers' Mutual for distribution by its agents.

Freely illustrated with photographs, diagrams and drawings the book explains Planalysis, Central's new insurance survey that offers "planned analysis" of property insurance coverage, reveals the danger of undercoverage, and

promotes Central.

Photographs of the various types of property insured in Central and a representative list of typical policyholders insured in Central throughout six main sections of the U. S. are included.

Can Fill Employee Posts But Quality of Work Still Low

Insurance offices have not yet solved their problems of personnel, although conditions in this respect have improved considerably since the end of the war. The personnel manager of one company illustrated the situation by describing a typical experience in one department. The division requires about six months training and experience for good service from the employee. It had 14 in it in 1945. That year the company hired 15 persons for work in the department; in 1946 it hired 16, and in 1947, 22. The department now has a complement of 19.

Thus, personnel managers can fill all

positions, but the turnover is still extremely high, and employees aren't seasoned. The quality and amount of work being turned out is much below the standards of five to 10 years ago.

Commissioners at Chicago

A number of insurance commissioners were at Chicago last week for an executive session which presumably had to do with examinations and related matters. Those conferring included Superintendent Dineen of New York, who was accompanied by Julius Sackman, head of the life department in New York; Harrington of Massachusetts and Harris of Minnesota.

Commissioner Harris of Minnesota addressed a dinner meeting of Gopher 1752 club Monday. Phil Brain showed his football pictures covering the highlights of the 1947 University of Minnesota season.

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Ill. Country Mutual Companies' Record

The three companies which are affiliated with Illinois Agricultural Assn.—Country Mutual Fire, Country Mutual Casualty and Country Life—had their greatest year in 1947, it was reported at the annual gathering of their agents held this week in the Edgewater Beach hotel, Chicago. More than 500 salesmen attended, and with their wives and farm leaders from throughout Illinois made up a group of at least 800 at the annual banquet.

Assets of the fire company Dec. 31 aggregated about \$7 million, surplus close to \$2½ million and written premiums were approximately \$4½ million, it was reported. At the end of the fiscal year Sept. 30 it was reported aggregate premiums were \$4,678,000, of which \$3,042,000 was on hail and \$1,146,000 was fire. About the same proportions probably will be found in the figures for the calendar year 1947. The hail business was so profitable—only about 18% loss ratio—that a dividend of 40% was paid to policyholders.

The casualty company had over \$6 million written premiums, an increase of about \$1½ million and an all time record, and had 165,000 autos of members in Illinois insured, which it was stated was

an amount greater than any other company operating in the state. Admitted assets were stated to be about \$6¾ million and surplus around \$2 million.

The three companies are profiting greatly from the increasing prosperity of farmers, A. E. Richardson, manager of Country Life; J. H. Kelker, manager of the fire company, and Frank Wilcox, manager of the casualty company, reported.

Speakers at Monday Session

The Monday general session program, with Mr. Richardson as general chairman and Ewell E. Green, sales supervisor, as chairman, included talks by D. E. Kuntz, director of insurance sales; Harold Neal, special agent Danville; Mr. Kelker; J. D. Bryant, general agent at DeKalb who led the life company with \$944,000 in December; Vern Holland, assistant manager fire company; Dirk Heezen, actuary; John Weaver, assistant manager; Dr. J. E. Boland, medical director, all of the life company William Linker, general agent Morrison, Ill., top individual producer in 1947, and O. E. Seiler, independent counselor of Chicago.

Mr. Richardson was toastmaster at the banquet, at which Charles Shuman, president I.A.A., Country Life and Country Mutual Casualty, spoke. Awards to leading salesmen were presented by Mr. Kuntz and Donald Kirkpatrick of

Chicago, general counsel of the three companies, spoke.

Besides Mr. Wilcox Tuesday, the program included talks by L. V. Drake, claim superintendent casualty company; Wayne Leinbach, general agent Galesburg; Carl Robinson, general agent Carbondale; Roland D. Hinkle, assistant manager Equitable Society, Chicago; Bernie Mosier, special agent Champaign; Otto Steffey, director I.A.A., secretary life and casualty companies and vice-president fire company. Mr. Richardson wound up the gathering with a summary of ideas.

Shows How Agent Might Save 3%

ST. LOUIS—Robert Edgar of Lon W. Harlow & Co., in addressing the St. Louis Insured Members' Conference, advocated an arrangement whereunder the agent would be permitted to issue in lieu of standard fire and wind policies a card giving the name of the insured, mortgagee if any, location and amount of cover and citing the policy form that is applicable.

The policyholder could see at the agency the full text of the policy.

The saving in work in the agency would amount to 3% or more, Mr. Edgar estimated.

Products Liability Talk

"If an agent is permitted to bind the company for 30 days, why not a year, three years or five years," Mr. Edgar asked.

His main talk was on products liability, which he said might better be termed after completion liability, for it covers the liability that may accrue off the premises of the manufacturer after the product has been sold and his work completed.

Products liability sales have expanded greatly since 1941, he said.

He told of a case at Flat River, Mo., that demonstrates the need for this protection.

An insulation company installed insulation in a building that was under lease to a general merchandise retail chain. The employees of the insulating contractor left a small hole in the room through which water seeped during a rain storm, saturating the insulating material. The extra weight caused the ceiling to collapse six weeks later causing much damage to the merchandise of the lessee. The retailer collected damages from the insulating contractor who was held liable.

Leaves Ky. General Agency

Fulton Fire has withdrawn from the Bradshaw & Weil General Agency Co., Louisville, and is operating in Kentucky on a direct basis. The company's affairs in the state are under supervision of Herbert W. Robertson, state agent, 232 North Main street, Henderson.

Steed to Wells & Co.

Dale Steed joined the Wells & Co. general agency of Indianapolis. Mr. Steed has been in the business for 20 years, most recently with Cooling-Grumme-Mumford general agency at Indianapolis as chief underwriter.

Nebraska Order Issued

LINCOLN—Orient has been ordered by the insurance department to direct all its agents to get approval of all policies sold. The company has allowed deviations for some policyholders with the result that others are discriminated against, the department said.

North Britishers to Meet

North British field men in the western department will hold their annual meeting Feb. 10-13 at the La Salle hotel, Chicago.

George H. Duxbury, U. S. manager will attend, and home office officials will be in charge. More than 50 field men are expected.

Schedule Rating Modernization Seen

NEW YORK—Schedule rating of fire business is in for modernization. Rating men from various organizations over the country are conferring continuously these days at Insurance Executives Assn. in New York, and in time a modern system of rating is expected to be developed which will reflect to a greater extent the interstate character of the business. At the same time certain differences in methods of applying scheduled rating will be eliminated.

Supervisory authorities have indicated a growing interest in schedule rating and at least one department plans to retain a man skilled in this field so the department can conduct studies of the rating, the results of which it is supposed to regulate.

\$1,290,000 Insured Loss Suffered at Harrison, N. J.

An insured loss of \$1,290,000 will result from the fire which destroyed pumps, machinery, and castings of Worthington Pump & Machinery Corp. at Harrison, N. J. Fire Jan. 26 resulted in 90% destruction of the equipment stored in a building leased to the manufacturing company from J. J. Sperry & Son.

Coverage on the building is said to be \$150,000. The insurers of contents and their coverage are: Scottish Union, \$40,000; Mercantile, \$20,000; Northern Eng., \$70,000; Merchants Fire, \$25,000; Fireman's Fund, \$110,000; L. & L. & G., \$50,000; Royal Exchange, \$50,000; National Union, \$70,000; Providence Washington, \$50,000; Automobile \$75,000; Glens Falls, \$25,000; Home F. & M., \$50,000; Boston, \$40,000; Old Colony, \$55,000; Pearl, \$25,000; Merchants & Manufacturers, \$50,000; Firemen's, \$50,000; Globe & Republic, \$50,000; New York Fire, \$50,000; American Equitable, \$100,000; Pacific National, \$25,000; Home, \$60,000; Hartford Fire, \$50,000; North America, \$50,000; Travelers, \$35,000, and Newark Fire, \$15,000.

Testimonial Banquet for Roy Duffus Feb. 17

Roy A. Duffus is to be feted at a testimonial dinner at Rochester Feb. 17. He will be saluted for the many contributions that he has made the development and improvement of the insurance business. Mayor Dicker will respond for the city of Rochester during the speaking program. The principal speaker will be John C. Stott of Norwich, N. Y., vice-president of National Assn. of Insurance Agents. Other national and state association officers and leaders will attend, as well as company executives, bureau heads and civic leaders.

Follett L. Greeno is general chairman of the committee, assisted by Robert M. Markin, Gilbert T. Amsden, Robert E. Consler and Louis Hawes.

EXPERIENCED FIRE LOSS CLERK

Phoenix-London Group has excellent opportunity in its Chicago Office for man with experience supervising office details in connection with the handling of losses on Fire and Allied lines. Please submit written application stating experience, age, and other pertinent information including date available and address to Mr. J. G. Hughes, Room 300—209 South La Salle Street, Chicago 4, Illinois.



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... a man named Woolworth opened a five-and-ten cents store in Utica, New York, much to the amusement of local business men. There could be no future or profit in specializing in low priced merchandise, they said.

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(CONTINUED FROM PAGE 4)

In the absence of lease provisions to the contrary, if the article is attached for a mere temporary use with the present intention of removal, it continues to be personal property. *Standard Oil Company v. La Crosse Auto Service*, 217 Wis. 237, 258 N. W. 791; *Rothery v. Dohrse* (Neb.), 240 N. W. 296; *Mofat v. White* (Minn.), 279 N. W. 732.

Engines and boilers, industrial machinery and apparatus of various kinds, appliances and erections annexed by the proprietor of a place of public entertainment, and even plants grown by a nurseryman or market gardener for sale, and a vault door in a bank have all been regarded as trade fixtures in particular cases, and therefore removable, but with air conditioning systems, sprinkling and heating plants and elevator installations considered as part of the building and not removable. 36 C. J. S. 976. Of course, where the installation is a trade fixture, and therefore removable, in case of loss no real difficulty will be encountered by insurers for the lessee, for the interest of the latter is in the eyes of the law sole and unconditional. But, there are many border-line cases aggravated by disputes between the lessor and the lessee where it is most difficult to determine whether an installation or other change made in the demised premises can be classified as a removable trade fixture, or belongs to the building and the lessor owner thereof.

Interest of Lessee

The value of the interest of the lessee insured in non-removable improvements and betterments to the building, in case of its destruction, or nontenantability due to the perils insured against, is ordinarily measured by apportioning the replacement cost of the betterments and improvements on the basis that the unexpired term of the lease at the time of the damage bears to the unexpired term when installations or alterations were made. Troublesome questions arise where, for example, the lease has a renewal option for a stated period, whether in determining a renewal option for a stated period, whether in determining the remaining value the additional period should be taken into consideration where the renewal option has not actually been exercised. The lease and its renewal provisions can possibly be construed to be one entire contract. It would seem more reasonable to conclude that until the option to renew is actually exercised the lessee's insurable interest should be measured by the unexpired term.

Broad Coverage Wide Departure

The broad coverage afforded under the single state reporting form is a wide departure from the coverage heretofore granted to a lessee for his interest in improvements and betterments made to the leased premises. Irrespective of the lease provisions or the nature of the improvements, by the wording of the form, he is given the unqualified status of a sole and unconditional owner which in accordance with court decisions and actual facts he only occupies in the matter of his trade fixtures, and other personal property. This status is created solely by the form fiat or decree, and is in reality a fictional one.

Under this new status it must mean that the lessee's interest shall be measured by the amount of his investment, irrespective of the fact that by virtue of its nature, the improvement is not a removable one, and, even if ordinarily removable because considered as a trade fixture or personal property, the lease provisions forbid such removal. The freehold interest, or, in other words, the actual title to the land and the leased building, is in the lessor-owner. In the eyes of the law he is the only sole and unconditional owner. However, the lessee, insofar as the betterments and im-

provements are concerned, if he has this new policy contract, is given a like status.

For insurance purposes a property interest or value has been created which does not exist. The lessee is not the owner of nonremovable additions and alterations. They may have cost him a large amount of money, with the value of his investment decreasing therein daily, so that at the termination of the lease it would be entirely wiped out. However, under the new form, if a fire destroyed the leased building the day before the expiration of the lease, his loss would be the replacement cost of the so-called betterments and improvements, minus depreciation. In reality the ownership thereof was in the lessor, with the lessee having only a use interest therein for the remainder of the term. The latter sustained only a nominal injury for his leasehold interest was at an end.

It is elementary that an insurable interest is necessary to the validity of an insurance contract, whether the subject matter of the policy be upon property or life, and that if no insurable interest exists, the contract is void. 29

Am. Jur. 289. Under the single state reporting form the lessee does have an insurable interest in the improvements which he has made, but which continually lessens, and which factually is never that of a sole and nonconditional owner in the nonremovable fixtures. He might be a substantial gainer should a fire destroy the same immediately prior to the termination of the lease, and which undamaged would be rendered valueless to him because of such termination. An unscrupulous insured would not be too interested in the preservation of the property. The unconditional ownership provisions of the form can readily cause situations of definite moral hazard to arise, and are, therefore, subject to the further criticism that they might be construed as contrary to public policy.

Situations can also readily arise where the insurers might be required to make a double payment for the loss, even though there was but one building insured with but one fire and one physical loss. The lessor-owner and the lessee possess separate insurable interests, and each would have separate, unrelated policies, and with each being considered as the sole and unconditional owner, and each might collect to the extent of the value of the damaged property in which, by virtue of policy provisions, the lessee has full ownership, and wherein the les-

sor, because of the law of the land, has actual ownership. While the respective policies might cover the same property, they affect a different ownership. They are, therefore, not concurrent and would not be construed as double insurance.

Double payment might be avoided if the insurers exercised their policy option to repair or replace the damaged property. Under such circumstances, the lessor and lessee, by reason of the restoration of the building to its condition prior to the fire, would suffer no actual loss. *Ramsdell v. Insurance Company of North America*, 197 Wis. 136, 221 N. W. 654. Again, the lessee, if the loss occurred near the end of his term, would receive little or no benefit under his policy. However, this is a practical solution of the situation, for even in normal times insurers reluctantly elected to repair or rebuild damaged or destroyed property, with the work having to be done to the satisfaction, many times, of overcritical insureds. With the present high building costs, and the inability to get materials or work done expeditiously, it is not likely that any insurer would voluntarily elect to exercise its rebuilding or repair option.

It is entirely correct to insure a lessee's interest in trade or removable fixtures as that of a sole and unconditional owner.

(CONTINUED ON PAGE 32)

POINTS TO REMEMBER WHEN REPORTING VALUES

- ✓ UNSOLD STOCK
- ✓ CONSIGNEE STOCKS
- ✓ LAY-AWAYS AND WILL-CALLS
- ✓ LAG AND IN-TRANSITS
- ✓ UNDELIVERED SALES
- ✓ CUSTOMERS GOODS
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Can you tell your customers how to report values when insured by a Reporting form of policy? Experience has shown us that many insureds and their agents have not been properly instructed on how to determine values for insurance purposes. Although the responsibility for reporting insurable values correctly rests solely with the insured, the difference between careful checking of these points and failure to do so may mean the difference

between a satisfactory or unsatisfactory loss adjustment.

To help agents help their insureds, the Royal-Liverpool Group offers a specially prepared folder, "How to Instruct Your Insureds on Reporting Values," which suggests the proper way to handle this complex problem.

Copies available on request to the Advertising Department.

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THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA • QUEEN INSURANCE COMPANY OF AMERICA • STAR INSURANCE CO. OF AMERICA • ROYAL INSURANCE COMPANY, LTD. • THE NEWARK FIRE INSURANCE CO. • AMERICAN & FOREIGN INSURANCE CO. FEDERAL UNION INSURANCE COMPANY • THE SEABOARD INSURANCE COMPANY EAGLE INDEMNITY COMPANY • GLOBE INDEMNITY COMPANY • ROYAL INDEMNITY COMPANY

NEWS OF FIELD MEN

Glens Falls Makes Field Shifts in Missouri, Nebraska

Glens Falls has appointed C. R. Eberly special agent for Nebraska. He succeeds Gordon M. Beals, who has resigned to join a general agency.

Mr. Eberly has had 12 years experience with Wisconsin Rating Bureau, has served for several years as special agent in Indiana for America Fore, and has been a special agent for Glens Falls there for the last two years. He will make his headquarters in Omaha.

Glens Falls has divided the Missouri territory, and named Edward M. Garlich in charge of St. Louis and St. Louis county, while Frank J. Weber will handle the remainder of the state with the exception of Kansas City.

Mr. Garlich has been with Glens Falls for 25 years in Missouri. Mr. Weber has been a special agent associated with Mr. Garlich for the last two years. Prior to this he was a rating engineer in the middle west.

Fourth Texas Field Club

Organization of the West Texas Field Club, with headquarters at Lubbock, completes the programs of stock fire companies for four field clubs in Texas to encourage better public relations. Others are North Texas, Dallas, Houston, and Alamo, San Antonio.

West Texas officers are: Herndon D. Johns, Home, president; Seth Ramey, American General, vice-president; Allen

Farmer, Floyd West & Co., secretary; C. C. Hall, Crum & Forster, treasurer; Wick Mallalieu, Great American; Marvin Morrow, Loyalty Group, and Harvey Bragg, T. W. Scales & Co., executive committee.

Rowley Named at Spokane; Small and Ganz Advance

Great American has opened a service office at Spokane in charge of H. Gardner Rowley, who has been special agent working out of Seattle. The new office will service the Inland Empire and northern Idaho fields.

Carl R. Small, special agent in southern California, has been appointed assistant manager at Los Angeles. His field will be taken over by Eric A. Ganz who has been appointed special agent.

K. J. Stoike to Topeka

Special Agent Kenneth J. Stoike is being transferred from the Illinois field to Topeka by National Fire to travel northeastern Kansas. He joined National in 1945 in southern Illinois after having been in the insurance business since 1929. He has been traveling southern Illinois.

John K. Rippetoe, who is being transferred to Great Bend to travel western Kansas, has been with National since 1944 when he left the army. He served in the underwriting department at Rockford, Ill., and later became superintendent of the service office at Topeka and then special agent in northeastern Kansas. In western Kansas he will travel the field that was handled by the late Webb C. Helwig.

Has Fire Prevention Skit

Stock Fire Insurance Speakers Assn. of Ohio has prepared a fire prevention skit to be put on before schools, P.T.A. groups and service clubs. It was presented at the club's meeting at Columbus Monday, and members were asked to suggest changes that would improve it.

Find Hazards at Purcell

Conditions at Purcell were found quite unsatisfactory at the inspection conducted by Oklahoma Fire Prevention Assn. The town had not been inspected for many years and hazards had been allowed to accumulate.

Don Turner, Boston, addressed the Lions' Club and D. E. Waggaman, Commercial Union, the high and grade school children. Stillwater will be inspected in March, Waggoner in April, and Pauls Valley in May.

Wilkinson Okla. Golf Winner

John E. Wilkinson, London & Lancashire, won the Oklahoma Blue Goose golf tournament, defeating L. Z. Brown, Millers National. It was the third time that Mr. Wilkinson has won this tournament.

Warner Goes to Syracuse

American of Newark has assigned John A. Warner to the central New York field at Syracuse, succeeding Orville E. Gibbs, who has resigned as special agent. Mr. Warner graduated from Colgate University in 1943. He then saw action with the marines. He joined American in 1946 and has been at Buffalo, N. Y., as special agent.

Cal. Pond to Hold Panel

A panel on legislation enacted last year in California will feature the Feb. 13 meeting of the California Blue Goose. Members will be F. Britton McConnell, vice-president of Pacific Employers; Gordon Campbell of the brokerage firm of Bonner-Campbell; W. B. Glassick, president California Assn. of Insurance

Agents and Harry Perk, Jr., attorney. Louis F. Knight, president Insurance Brokers Society of southern California will preside over the panel.

Saal to Indiana Field

London Assurance has appointed Fred C. Saal, Jr., special agent as assistant to State Agent Homer G. Meek in Indiana.

Mr. Saal joined London Assurance at New York in 1946 in the underwriting department. His headquarters will be in Hume-Mansur building, Indianapolis.

Minnesota Pond Splash

About 15 are expected to be initiated at the annual meeting of Minnesota Blue Boose Feb. 16 at Minneapolis. A cocktail hour will precede dinner, entertainment and the business meeting.

Hammond Special Agent

John R. Hammond has been appointed special agent for Fireman's Fund at Sacramento, where he has been assistant to Special Agent Charles Brown in the Sacramento Valley for several years.

Hansen Made Denver Head

Walter Hansen, who has been special agent of Home at Minneapolis, is being transferred to Denver as manager.

Seattle Pond Initiates

Seattle pond of Blue Goose initiated 11 at the semi-annual meeting followed by a cocktail hour and banquet. The ladies will sponsor a dance April 10.

Carlson Buffalo President

Buffalo Field Club has elected as president W. T. Carlson, Crum & Forster; vice-president A. J. Charron, American; secretary B. L. Jones, Frey & Jones, adjusters, and treasurer L. W. Powers, Buffalo.

Fire Prevention Assn. of Ohio will inspect Marietta April 1 and New Lexington in May.

St. Louis pond of Blue Goose will hold a dinner party Feb. 7.

CHICAGO

STEWART AGENCY ENLARGES

The L. G. Stewart & Co. metropolitan supervising agency of Chicago has moved into new quarters in 1061 Board of Trade building, on the same floor with the much smaller office which has occupied since it was organized in July, 1946. The telephone number has been changed to Harrison 4827. This agency is a corporation of which L. G. Stewart is president and treasurer, and Charles LaBow is vice-president and secretary. It now has a staff of 15 employees.

James H. Alter has just resigned an underwriting department head of the Preferred Accident office in the same building and is taking charge of casualty underwriting for Stewart & Co. He has had over 10 years' insurance experience, for seven years with Preferred Accident in Chicago, being chief underwriter for the last five years, and previously casualty underwriter for Manufacturers Casualty in Chicago.

Stewart & Co. has just secured representation of American of Newark. Since organization the office had represented Dixie Fire of the same group, which is has relinquished in favor of American.

SELF-INSURER HIT

Loss, according to newspaper estimates, in the fire that attacked the certified core oil division of Socony-Vacuum Oil Co. at 3308 South Cicero avenue, Cicero, Ill., amounts to about \$500,000. Forty-one tanks were badly damaged. Their capacity ranged from 8,000 to 25,000 gallons. Socony-Vacuum is a self-insurer.

MISS TAIT JOINS GUY FERGASON

Helen E. Tait, who was a WAC major during the war, connected with the headquarters of General MacArthur in the Pacific, being stationed in Manila and Tokyo, has become associated with Guy Fergason Personnel of Chicago. She takes charge exclusively of the women's department. She formerly had 10 years' insurance personnel work in Chicago and Wisconsin. Miss Tait was in the army for four years, having been commissioned as a second lieutenant

WANT ADS

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Fire insurance manager, to supervise office work in large local agency. Salary in keeping with applicant's experience. Excellent future. Must be familiar with rating procedure, forms and office detail, accurate in arithmetic. Write air mail giving details, experience, references, to Payne-Garrison-Younger Agency, Box 1014, Jacksonville, Florida.

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Competent policywriter in general agency for supervising insurance of fire and casualty policies, in large Wisconsin town within 100 miles of Chicago. Address O-81, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

FIRE UNDERWRITER

sought by General Insurance Company of America, headquarters St. Louis. Position offers splendid opportunity. Address 11th Floor, Buder Bldg., St. Louis 1, Missouri.

1947 MUTUAL FIRE RESULTS

	Adm. Assets	Unearned Prems.	Net Surplus	Net Prems.	Net Losses Paid
Carolina Mutual	790,665	275,829	477,969	317,875	79,201
Druggists Mutual, Mansfield, O.	406,391	157,325	219,298	188,011	92,834
Firemen's Mutual, Providence	20,146,766	9,479,334	9,555,305	9,418,965	1,104,115
Iowa Mutual	1,789,657	1,032,234	586,512	1,204,827	558,160
Midland Mutual, Newton, Kan.	571,066	390,372	161,372	331,586	151,889
Mutual Fire, Sandy Spring, Md.	2,444,985	501,136	1,703,856	656,068	168,580
Oregon Mutual	3,825,859	2,381,515	1,105,521	2,040,283	731,546
St. Paul Mutual	327,099	159,717	143,933	367,481	182,878
Union Mutual, Vt.	905,979	213,048	589,922	509,306	262,499
Western Mutual, Des Moines	2,241,801	1,121,704	710,507	2,217,450	728,541

RECIPROCAL

Inter-Ins. Ex. of So. Cal. 12,343,367 4,401,498 6,711,302 9,166,961 3,876,644

FIELDMAN—EXCELLENT OPPORTUNITY

Well established and highly reputable old line Fire Insurance Company (executive offices New York) is looking for a good fieldman to supervise Kansas and Missouri. Headquarters in Kansas City, Mo.

If interested, to save your time and ours and assure an interview, reply fully—age, experience, qualifications, references, etc. Prefer knowledge and ambition rather than long years.

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Forty-two years of service

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and being discharged late in 1946. Ferguson Personnel next month will complete its eighth year in insurance personnel work at Chicago. It has become widely known through its insurance placement service.

Local Agents Fight SS Extension by IRB Ruling

W. P. Welsh, president of National Assn. of Insurance Agents, has issued a statement favoring adoption of the House joint resolution introduced by Gearhart of California which would maintain the status quo in respect of certain employment taxes and social security benefits, pending action by Congress on extended social security coverage.

The Gearhart resolution was introduced following the promulgation by the Treasury Department of a general ruling which would bring certain types of common law independent contractors under the old age and survivors insurance program both in respect of payment of premium and receipt of benefits. This extension of coverage was particularly interesting to life insurance agents. It has been held by the social security board that such agents are entitled to social security benefits, even though the internal revenue bureau until now, has taken the position that they were not covered and has refused to collect a tax on them.

Traditional Pattern

Mr. Welsh declared that local insurance agents have traditionally operated on their own individual account and as independent contractors wholly separated from any employer-employee relationship.

Although the Treasury has not yet issued detailed rulings, Mr. Welsh apparently apprehends that such rulings would bring local insurance agents under the social security program. This

had not been generally anticipated, however.

After the House ways and means committee had favorably reported the Gearhart resolution, the Treasury department at the request of the committee, held up the effective date of the new ruling, scheduled to become operative this week. It was not indicated how long the regulation will be held up, though a Treasury source said a "reasonable" time would be allowed for Congress to act on the Gearhart resolution.

Gearhart was expected to call his resolution up for early consideration in the House, this week if possible. A privileged status is claimed for the measure as affecting revenues. The internal revenue bureau is represented as holding that it is obliged to issue the proposed regulation to carry out the law as interpreted by the Supreme Court but apparently Congress could change the law through passing the Gearhart resolution.

Downey Issues Warning on Auto Adjustments

Commissioner Downey of California warns that any insurer that endeavors to settle auto claims at less than fair market values when its contracts insure at actual cash value, "may expect to have proceedings taken against it by this department with the view of revoking its certificate of authority."

This message is the result of a letter sent companies by the San Francisco distributor of the Kelley Blue Book which indicated that use of its average values these days—"if properly presented"—could result in substantial savings in settlements. The letter points out that the book's values are "on the conservative side" anywhere from 10 to 15% below current prices on the open market. It says that high accident frequency, heavy repair costs, etc., are forcing the companies to make cash settlements.

Mr. Downey said this letter consti-

tutes a suggestion to insurers to deal unjustly with claimants.

Harry McClain Out for Ind. Gubernatorial Post

INDIANAPOLIS—Harry E. McClain, secretary of Indiana Assn. Insurance Agents, and former Indiana commissioner, has announced his candidacy for the nomination for governor at the Democratic convention in June. He is the first Democratic gubernatorial candidate definitely to announce for the nomination.

Previous to his appointment as insurance commissioner in 1933, he was head of the insurance department of Farmers National Bank at Shelbyville for 14 years. He has served as executive secretary of I.A.I.A. since 1939. He was Democratic candidate for state treasurer in 1942 and for secretary of state in 1946. He attended DePauw and Butler Universities.

Fire Company 1947 Statement Figures in Tabloid

	Assets	Inc. in Assets	Reins. Res.	Inc. in Reins. Res.	Capital or Stat. Dep.	Surplus	Inc. in Surplus	Net Prems.	Losses Paid	Loss Ratio
Bankers, Durham	287,698	9,871	7,746	2,317	200,000	72,811	6,326	352	162,652	35.5
Cimarron	312,090				100,000	144,769		375,365	665,229	48.3
First National	5,525,128	1,649,559	2,619,440	479,160	1,000,000	1,434,087	1,021,948	2,223,603	8,393,373	39.0
General, Seattle	46,425,477	9,462,594	21,709,785	2,695,943	1,400,000	16,678,717	5,457,748	22,072,301	143,107	77.4
Lafayette Fire	1,500,349		17,648	245,383	300,000	904,005	35	184,762	953,698	33.3
State Farm Fire	3,819,966	533,592	1,941,415	290,001	300,000	1,140,777	263,521	2,704,036		

Fire Company Experience in 1947 by Lines

	Fire	Extended Coverage	Tornado-Windstorm	Sprinkler-Leakage	Riot & Explosion	Motor Vehicle
	Prems.	Paid Losses	Prems.	Paid Losses	Prems.	Paid Losses
Bankers, Durham	263	4,568	89			
Cimarron	64,536	4,868				
First National	1,554,819	415,914	542,347	199,461	9,960	21,037
General, Seattle	12,134,542	4,637,738	3,023,567	1,032,715	94,013	86,354
Lafayette Fire	138,037	75,329	26,984	3,202	12,691	59,572
State Farm Fire	1,172,353	405,127	423,353	109,167	5,234	5,621

INTER-OCEAN REINSURANCE COMPANY

Cedar Rapids, Iowa

FINANCIAL STATEMENT AS OF DECEMBER 31, 1947

ASSETS	
Cash in banks	\$ 607,678.44
United States Government bonds	3,652,922.39
Other bonds	383,386.43
Preferred stocks	476,180.00
Common stocks	874,119.00
First mortgage loans FHA	273,451.29
Other first mortgage loans	42,992.39
Real estate sold under contract	32,000.00
Home office	80,337.38
Accrued interest and rents	26,106.80
Reinsurance recoverable on paid losses	4,617.99
Premium balances (not over 90 days)	458,650.07
Surrender value of life insurance policies	34,917.17

Total admitted assets.....\$6,947,359.35

LIABILITIES	
Unearned premiums	\$4,014,862.16
Reserve for losses	595,162.24
Reserve for adjustment expense	20,812.82
Reserve for taxes	82,842.70
All other liabilities	73,739.27

Capital	\$ 500,000.00
Surplus	1,659,940.16
Surplus to policyholders	2,159,940.16

Total.....\$6,947,359.35

Note: On the basis of December 31, 1947, market quotations for all bonds and stocks owned, the company's total admitted assets would be decreased to \$6,932,534.87 and the policyholders' surplus to \$2,145,115.68. Securities carried at \$500,000 in the above statement are deposited as required by law.

HOME OFFICE
Cedar Rapids
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REINSURANCE
FIRE AND ALLIED LINES
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EASTERN DEPARTMENT
90 John Street
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EDITORIAL COMMENT

How to Use Press Conferences

We applaud any effort of those in the insurance business to get more information to the papers in that field. However, use of news conferences to hand out releases containing information that could be gotten to the press as easily or quickly by mail or telephone is a sure way to make them unpopular with those on the daily newspaper side. The insurance press can be expected to forgive their friends—they like to see them anyway. But daily paper reporters won't come to the next one.

The best use of the press conference, at least for daily newspaper reporters, is to confine it to stories of such consequence that they immediately give rise to a number of questions that can't be anticipated in a news release.

There are very few stories that cannot be gotten to the papers and press associations more quickly by telephone or messenger than through press conferences. Usually, where time is par-

ticularly of the essence, the problem is one of making the deadlines of the afternoon papers. Morning papers have plenty of time. At the hour when the press conference would probably be held the reporters are working at their most feverish pitch. If anyone at all can be spared to send to a press conference it is likely to be one of the less experienced men.

Hence the time consumed in calling a press conference, waiting for the reporters to get there, and answering questions orally could almost always be better spent in getting out the release in such complete form as to answer questions in advance and then getting it to the papers by telephone or messenger. Should the rewrite man have any questions he can pick up the phone, call the number shown on the release and have his answer in less time than it would take him to get to a press conference.

Field Man or Local Agent?

The recent discussion of field men going into the local agency business recalls a statement attributed not long ago to the top executive of the accessories unit of one of the largest automobile companies. Two branch managers had resigned to go into local distributing businesses and a panicky subordinate had suggested that something was wrong with the conduct of the company and the morale of its employees.

The executive replied that expressing any such sentiment would be yielding to irritation over the short range problem of replacing these men at a time when the company was flooded with business and needed competent service personnel more than distributing outlets. The long range view, he said, is that the company will always need business outlets and can get no better ones than those operated by men trained by and friendly to the company and familiar with its products. Both men had excellent records and would be welcomed back to the payroll should they ever wish to return, but the best thing which could happen would be for them to be highly successful. "The time will come," he said, "when we'll badly need the orders we expect them to be placing with us."

We think this incident is worth mentioning to the insurance business for two reasons. First, the views of this execu-

tive apply with equal force to the insurance business. Also, it shows that this situation is by no means peculiar to insurance. Actually, going into business for one's self is an established American custom. We doubt if there is a community in the country, of any size, in which there are not successful local business men who once worked for large corporations serving their fields. With few exceptions, these men remain friendly to their former employers and are an excellent source of business for them.

Many a family man in his thirties or forties decides it is advantageous to trade his chances of becoming a corporation president for ownership of his own business. By this trade, he gets freedom from or at least reduction in travel, more family life, a chance to become a stable and prominent member of a community, elimination of the likelihood of uprooting his family from city to city and an opportunity for good financial reward. Usually, the man has traveled over the territory where he locates and has become familiar with the community, the business, its prospects and all the factors which make it a good or a bad risk. Often he has built up, through his past work, a personal standing which helps whatever financing is necessary. In short, a man in any business in a position equivalent to the insurance

field man is in an ideal position to enter a local business when he feels so inclined.

This path, in insurance and elsewhere, is not a one-way street. The shift can be and often is made the other way. When retail business conditions are good, the commission or markup of the local business man makes many a man on a fixed salary envious, particularly when living costs are rising. Conversely, when business is slow, a steady salary can look very good to a person struggling to meet a payroll and other overhead. Prevailing economic conditions throw the spotlight on one side of the street or the other, but actually there is always movement both ways. The number of presidents of National Assn. of Insurance Agents and other prominent and successful agents who were once insurance company employees is too great to try to count. Conversely,

one N. A. I. A. president became a prominent insurance company official and, just offhand, we can think of three state association presidents of recent vintage who are now in company ranks.

The point, as we see it, is that there is nothing sensational or alarming about insurance men switching from company to agency positions and vice versa. Some men are happier and more successful one way than the other and there is nothing disgraceful in finding out for one's self. Short term conditions can and often do throw any picture out of focus, but these conditions adjust themselves before too long. Both sides of the road have their hazards, but each has room for able men. In the long run, no person does the business a disservice by trying to find the proper niche for himself and by taking advantage of what reasonably appears to be a good opportunity.

Limits to Simplification

One effort of business papers in the insurance field is to simplify somewhat the technical language. This is considered a good idea on general principles because the business operates in highly specialized compartments and some translation into generally understood terms makes it easier for one segment of the industry to understand what is happening in or to another. Moreover, there is also the more basic need of the agent using as non-technical language as possible with his insured, to avoid pleas for "interpretation."

However, there is a limit to simplification in a technical business. Much can be done, but doctors, lawyers, architects and accountants do not seem to have made more progress than the in-

surance people, perhaps not as much. A good deal of their technique will always be reserved for the initiate.

Also, no matter how simple the language is made, it is still difficult for the mind to grasp a new idea, and that is the difficulty that the reader must solve, if he has to sweat for it. The agent, for example, may find it dangerous to assume that because he can't explain something in simple terms he shouldn't explain it at all. It may be necessary for the client to sweat a little to get an understanding of his policy or the insurance business, and if he doesn't like doing it at the time the policy is sold, perhaps the agent should remind him that he would be very eager to do so if there was a loss.

PERSONAL SIDE OF THE BUSINESS

Thomas McGee, dean of Kansas City insurance men, founder and senior partner with his three sons in Thomas McGee & Sons, and president of Old American, has just celebrated his 89th birthday. He asked members of his family to observe the event in a "small way" and prepare for a big celebration for his 90th milestone in 1949.

D. J. Gallagher of Western Actuarial Bureau, Chicago, underwent an abdominal operation this week at Wesley Memorial hospital, Chicago. This was the second operation that he had undergone recently.

Carl E. Bailey, veteran Crum & Forster state agent at Wichita, has returned to his home following 10 days in the hospital for tests but continues to suffer severe pains in his arm, cause of which are yet undetermined. He is hoping to

be able to return to work but must get relief with home treatments before he will be in condition to do so.

E. V. Mills, vice-president and controller of Fireman's Fund group, and former San Francisco police commissioner, has been elected first vice-president of the San Francisco Commercial Club. T. K. Hannum, marine manager for North America, was elected a director.

Mrs. Alice Potter has resigned as administrative assistant at Washington for National Assn. of Insurance Agents. She has been with N.A.I.A. at Washington for 12 years and is currently president of Insurance Women's Club of Washington.

Gale Tilman, head of the automobile department of Western Adjustment at the head office, has now returned to his

THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

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home after undergoing a serious operation at Evanston hospital.

THE NATIONAL UNDERWRITER regrets the mistake that was made in illustrating the article in the Jan. 8 edition, reporting the consolidation of fire and casualty operations in Canada of the Phoenix-London group with R. M. Sketch as manager for Canada.

The text was correct, but the picture that was used was that of R. Y. Sketch, who is chairman of the board of directors of Phoenix-London at London. The new manager for Canada is a nephew of R. Y. Sketch but his initials and his face are quite different.

Leading figures in recent promotions by St. Paul group were A. B. Jackson,



M. D. Price



A. B. Jackson

who was elected president of St. Paul F. & M. and Mercury, and M. D. Price, who became president of St. Paul-Mercury. Both are former vice-presidents of the group.

W. S. Crawford, veteran insurance editor of the New York "Journal of Commerce," has been confined to his home for the past month by rheumatic fever.

George R. Bowman, head of the R. A. Napier & Co. agency of Chicago and a former president of the Chicago Board, has been confined to his home at Evanston since Dec. 22.

William M. Apple of the W. M. Apple & Co. general agency at Little Rock has been named "Arkansas sportsman of the year" by the Outdoor Sportmen Assn.

Elmer F. Reske, manager of Cook County Inspection Bureau has been appointed chairman for the first of a series of educational courses sponsored by the Greater Chicago Safety Council.

DEATHS

Robert T. Jones, veteran local agent of Petersburg, Va., died there.

William H. Harrington, local agent at Caledonia, O., died in Florida. Mrs. Wayne Dilts, his daughter, will look after the agency for the present. She has been assisting him.

Gayle T. Forbush, who retired about 10 years ago as U. S. manager of Royal Exchange, died at his home at Natick, Mass., at the age of 77.

Mr. Forbush became U. S. manager of Royal Exchange in 1924, succeeding Everard C. Stokes. After graduating at Massachusetts Institute of Technology he went into the field for Great American in 1892 and the next year became general agent for New England, continuing in that capacity until 1905.

Mr. Forbush became general agent at the New York head office in 1918, the next year assistant U. S. manager, and in 1920, associate U. S. manager. He served as president of the New England Insurance Exchange in 1906 and was president of Insurance Library Assn. of Boston from 1910 to 1919. He was a native of Natick and was a past president of Natick Rotary Club.

Thomas McCaughern, who retired as a district secretary of Pacific Board after 40 years' service, died at Richmond, Ind., where he and his wife had moved. He suffered a heart attack. Mr. McCaughern was a native of Rich-

mond but had spent most of his life in California.

W. R. Simons, local agent at Marshall, Mich., for many years, died unexpectedly.

Frank R. Murphy, local agent at Athens, O., died there.

Robert P. Badger, 41, Louisville local agent, died of a heart attack at Oklahoma City, while on a motor trip to Arizona with his wife. He had been troubled with a heart ailment and had planned to spend the winter at Tucson. He entered the insurance business in 1922 with his father, Robert L. Badger, who died last May.

Ben Phillips, Jr., Michigan state agent of Hanover and a fire insurance veteran of 42 years, died at Detroit at the age of 59. He was born at Cynthiana, Ky., and entered the insurance business with Cincinnati Fire Prevention Bureau, now Ohio Inspection Bureau, in 1906. From 1918 to 1920 he was Grand Rapids manager of Michigan Inspection Bureau and then for a year served in the field for Phoenix of Hartford. He had been with Hanover since 1921.

J. H. Higgins, who was the first salesman employed by THE NATIONAL UNDERWRITER when it was known as "Ohio Underwriter," died Sunday evening and funeral services were held at his home at Dayton, O., Thursday.

Mr. Higgins joined THE NATIONAL UNDERWRITER about 1897 and continued with the organization about 20 years. At first he traveled throughout the entire country. He formed an extensive acquaintanceship and aided materially in obtaining recognition for this publication in its earlier years. He continued to have a great affection for THE NATIONAL UNDERWRITER and he contributed an interesting reminiscence to the 50th anniversary edition of this publication that was published in 1947. During his later years with the paper, he confined his traveling largely to Ohio, Indiana and Kentucky.

After leaving THE NATIONAL UNDERWRITER, he bought control of an accident and health company at Indianapolis, known as American Travelers Assn., and this he operated until about 12 years ago. He had been engaged in the real estate business at Dayton.

Mr. Higgins was so slow at closing business when he first began to solicit for the paper that there was sentiment among the officers of the company to let him go. However, E. J. Wohlge-muth stood by him. It later developed that Mr. Higgins' objective was to become thoroughly acquainted with company officers, especially accident and health companies. He learned their hobbies, their likes and dislikes, and when finally he began to ask them to sign contracts he got a lot of business. He turned out to be a very good producer.

William A. Groce, 60, former fire marshal of Washington and for the last several years a special agent for National Board in the Pacific Northwest, died after a long illness. He was widely known on the coast in fire prevention work, was secretary of fire chiefs' association and active in all movements in the field for 30 years.

Mrs. Doris Vastine, whose husband, George M. Vastine, is with Vastine Bros., insurance brokers of Chicago, died at Illinois Masonic hospital.

William S. Straiton, 52, a member of the arson department of the National Board in Alabama, North Carolina and Texas died at veterans hospital in Montgomery, Ala. He formerly was a deputy fire marshal in Alabama.

E. Erwin Owen, 60, who operated an agency at Rome, N. Y., for 25 years, died recently. He sold the business in 1938 to C. Mark MacLaughlin.



J. H. Higgins

SECURITY

A Staple Commodity

Security . . . sought and hoped for by every one. Security, not to be bought or sold. Security, the impulse that creates business and prosperity. Each person seeks some kind of security. Hanover is secure in the knowledge that our years of experience have earned us the confidence that we point to with pride and satisfaction.

We have been satisfying the needs of our clients in a prompt, progressive, friendly manner, which has resulted in a return of confidence from the insured, through the agents, to us.

Confidence—the warm calling card between the client and the agent is yours—by consulting our field men for competent, friendly advice. Security—the direct result of well being brought by this confidence.



THE HANOVER
FIRE INSURANCE CO.
OF NEW YORK
Organized 1852

THE FULTON
FIRE INSURANCE CO.
NEW YORK



HOME OFFICE
111 John St., New York, N. Y.

WESTERN DEPT.
Insurance Exchange Building, Chicago 4, Ill.

PACIFIC COAST DEPT.
340 Pine Street, San Francisco 4, Cal.

EMPLOYERS REINSURANCE CORPORATION

J. B. ROBERTSON—PRESIDENT

Kansas City, Missouri

CONDENSED STATEMENT AS OF DECEMBER 31, 1947

ASSETS

Cash in Banks and on Hand.....	\$ 5,257,907.82
Bonds, Amortized Value.....	
United States Government.....	\$15,200,252.89
Canadian Government	453,409.01
State, County and Municipal.....	7,282,260.63
Total Bonds	\$22,935,922.53
Stocks, Convention Value.....	5,626,818.75
Total Bonds and Stocks.....	28,562,741.28
Mortgage Loans	198,889.00
Premiums in Course of Collection (Under 90 Days).....	1,439,315.36
Interest Accrued	163,950.51
TOTAL ADMITTED ASSETS.....	<u>\$35,622,803.97</u>

LIABILITIES

Loss Reserve, Liability and Compensation.....	\$ 9,146,854.35
Loss Reserve, Other Classes.....	2,580,065.48
Total Loss Reserve.....	\$11,726,919.83
Reserve for Unearned Premiums.....	9,625,129.08
Commissions Accrued on Premiums.....	656,858.53
Reserve for Contingent Commissions.....	398,414.72
Reserve for Taxes and Other Liabilities.....	291,559.16
Funds Held Under Reinsurance Treaties.....	1,001,132.11
Voluntary Special Reserve.....	\$ 1,922,790.54
Capital	2,000,000.00
Surplus	8,000,000.00
SURPLUS TO POLICYHOLDERS.....	11,922,790.54
TOTAL	<u>\$35,622,803.97</u>

On the basis of December 31, 1947, market quotations for all bonds and stocks owned:

Total Admitted Assets would be increased to.....\$35,700,083.75
 Voluntary Special Reserve would be increased to.....2,000,070.32

Securities carried at \$1,832,004.85 in the above statement are deposited as required by law.

KANSAS CITY
 Insurance Exchange Bldg.

NEW YORK
 107 William Street

CHICAGO
 175 West Jackson

SAN FRANCISCO
 114 Sansome Street

LOS ANGELES
 606 South Hill Street

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N. Y. "Comp" Board Removes Self from Legislative Arena

Henry Sayer Reviews
Important Developments
at Annual Gathering

Henry D. Sayer, in his report as general manager at the annual meeting of Compensation Insurance Rating Board of New York, recalled that the governing committee at its last meeting of 1947, by a divided vote, adopted a resolution directing the board and its staff to refrain from sponsoring, proposing or participating in the drafting of any legislation. The memorial went on to provide that if the board and its staff are called upon to suggest or participate in the drafting of legislation, they refer such requests to the appropriate trade association such as Assn. of Casualty & Surety Companies, American Mutual Alliance, etc.

The resolution was predicated on the theory that under the new theory of supervision, rate making organizations should not be engaged in legislative activities. Mr. Sayer pointed out that in the past the board has conferred on matters of administration and legislation with administrative authorities, representatives of employers, labor and other parties in interest. With the enactment of the medical free choice law in 1935, insurers had to confer also with medical representatives to fashion rules for regularizing the practice of medicine with respect to compensation cases, effecting uniformity and clarity in the submission of medical reports and establishing machinery for resolving disputes between insurers and doctors.

Logical Instrumentality

The compensation board seemed to be the logical instrumentality to handle such joint or cooperative relations because it is the only organization in which all types of insurers are members. Mr. Sayer observed that the medical and claims committee of the board has functioned with singular success since 1937, and with the sole purpose of maintaining good relations with the insurance department, workmen's compensation board, representatives of employers and labor, and with the medical profession.

The board has avoided taking a position either for or against proposed legislation relating to benefits under the law on the theory that this was the particular function of the employers and labor, together with the administrative authorities in behalf of the public interest, rather than as a function of insurance.

On procedural matters, however, the medical and claims committee has collaborated in shaping remedial and procedural legislation. It is difficult, he observed, to discuss remedial matters or reforms of procedure without following through when they lead to or require legislation. Nevertheless, the recent trend has been toward complete separation of legislative functions from rating organizations.

Mr. Sayer said the medical and claims committee will continue to function in an advisory and cooperative way with the public authorities and with the other interests involved under the law on matters of administration and procedure, and will maintain contacts with the medical societies and hospital associations.

Mr. Sayer reviewed the disapproval last year of the rate increase program

Companies Are Up in Air on California Rate Law

LOS ANGELES—National Bureau of Casualty Underwriters, in a lengthy letter respecting the rate regulatory situation, has advised insurers that it will "withdraw the promulgation of the advisory experience and schedule rating plans and the retrospective rating plans" insofar as they apply to California.

The California rate regulatory law is puzzling the insurance people and arousing a good deal of uncertainty. The difficulties, it is true, are mostly those that can happen in the future rather than matters of immediate collision. The temporary suspension of American's license, for instance, appear to have been based on a problem originating a good while before the new rate law became effective.

However, the uncertainty is a real one, and so company executives individually are going to have to make decisions which can lead to trouble long after the decision is made. Since rating organizations do not operate in California as they do in other states, executives are not going to get much help from that source.

Real Test to Come

The real test of living under the new law, which became effective Jan. 1, is coming. Unlike rate laws of some of the other states, the California legislation bars agreement of carriers to observe a rate, nor can a rating organization require such observance as condition of membership.

The law requires no filing. Nobody has to file. As a matter of fact, the law doesn't permit filing. The theory of the law is that nothing is bad until it is proved so, after a complaint and following examination by the commissioner, who may or may not find a violation has been committed.

If his investigation discloses a violation, he issues a cease and desist order applicable to the future. The existing contract does not have to be amended, but in general the act complained of cannot be done again.

Standards for Rates

The California law sets up as standards for a rate that it cannot be excessive, inadequate, or unfairly discriminatory. A rate is not excessive unless it is unreasonably high for the insurance provided and unless there is unreasonably little competition in the area with respect to the class to which the rate is applicable. Thus a company might charge a very high premium for a risk which it does not want, but if other companies were providing coverage at reasonable rates, the company writing at the high premium cannot be accused of having an excessive rate. The test must hold on both counts.

As to inadequacy, there are three tests. The rate must be unreasonably low on the basis of the facts. Continued use of the rate must endanger the solvency of the company. (Thus if a company has plenty of surplus, an "adequate" rate might be no violation of the law.) And the rate must be so low as to have the effect of destroying competition or creating a monopoly.

Since all of the tests under the two standards must be met for a company to be guilty of violating the law, it becomes very difficult for the commissioner ever to regulate on either excessiveness or inadequacy. Theoretically he can, but practically it is hard to see how it would be possible.

On the third qualification, "unfairly discriminatory," there is no specific definition or qualification. Since a company cannot file rates, it cannot ascertain at the time it starts to use a rate whether the rate is discriminatory or not. Neither for that matter can the commis-

sioner. There is no way of clearing rates or rating plans because the standard is so unspecific. A company might not find out for a long time, perhaps a couple of years, that the rate is regarded as discriminatory by the commissioner. This in effect leaves it up to the company to do business at its own peril. Yet it is on the standard of discrimination that the commissioner can, in practice, act.

Controlled Through Competition

It is assumed that rates are controlled through competition. If a company cuts a rate on one risk to meet competition, however, it must cut the rates for all similar risks. Just what is a "similar" risk? How much difference does there have to be, and does the variation in premium have to have some relation to the "difference?"

A company cannot tell if the commissioner later, or his successor still later, will find a rate discriminatory. The commissioner already has made one ruling in the casualty field, banning fictitious automobile fleets as discriminatory. Some of the casualty people feel this was probably a good thing. If fictitious fleets are permitted, where is a company to stop? After all, in making up fleets of this kind, an underwriter could go so far as to base it on the membership in the Democratic and Republican parties.

Can Use Judgment

The law permits the application of experience and judgment factors in the grouping of risks by classifications. This is supposed to create great flexibility in rating. However, the individual company faces a problem here. Without a rating organization to file the individual risks for its companies, what can an individual company do as to judgment?

In California some companies are going ahead, others are still scratching their heads. There is no question that the companies like a good deal better the type of regulatory law where there isn't so much uncertainty and so much that is vital left in the lap of the gods.

In connection with producers, the question has been asked whether, if a broker is competing for a risk and decides to take 5%, whereas he has written another risk of an identical nature at a 10% commission, is this discriminatory?

Some of the companies believe that other states give them greater leeway because they can tell what they can do, and be pretty certain of it in advance.

Absence of Penalty

One saving feature about the California law is that there seems to be no penalty. The company has to quit doing whatever it was doing that constituted a violation. Further use of the rate and the contracts made thereafter are prohibited. If the violation is willful, it constitutes a misdemeanor with specific punishments.

A company in competition with other companies on a desirable risk might do pretty much what it wanted to do and if it wrote a seven year policy could hang on to the business for that long providing it didn't do it in future contracts. Suppose that a company checks with its attorney and in his opinion the act contemplated is all right under the law, how could the act be held a "willful" one?

Companies can construe the law liberally until the commissioner acts in enough cases to set up a pattern, or a company can avoid taking any chances. The latter is not likely because of competitive pressure. It is possible that companies or insured or producers will start flooding the commissioner with complaints.

Specific Provision for FTC Insurance Studies Lacking

Opinion Differs as to
Whether Funds Will Be
Available for That Purpose

WASHINGTON—The House appropriations committee failed to make specific provision in its bill for federal trade commission studies and investigations of insurance companies in its enforcement of some anti-trust laws. However, the committee was informed that FTC would have money available for that purpose in its general fund for dealing with "false and misleading and unfair acts." The committee was informed \$100,000 of this general fund could be used for insurance work, if FTC so decides.

The committee did not approve the President's budget recommendation for \$100,000 for FTC insurance work.

The possibility is seen that federal trade commission may call a conference of insurance people to consider trade practice rules. The idea would be to get the entire industry to abstain from a specific list of trade practices that may either be illegal or undesirable.

FTC points out that since the 1920's more than 160 industries have conferred and agreed to desist from unfair trade practices.

The House appropriation subcommittee was told that FTC intends to appoint experts in all phases of insurance operations, and if there are enough funds, an expert may be assigned to the trade practice conference division. A survey of state laws regulating insurance will be undertaken, Robert E. Freer, chairman of the commission, told the House subcommittee. FTC will prepare to administer its law as applied to the insurance business wherever the state laws do not apply.

Opinion Differs

Opinion differs in congressional and administrative circles whether the federal trade commission will be able to do anything about insurance under provisions of the independent offices appropriation bill in fiscal year 1949. While FTC sources were reported satisfied they would have funds to make insurance investigations, without special appropriation for that purpose, some House members familiar with the bill took the view that FTC insurance work is "out" for next year unless additional funds are provided.

In framing the bill the house appropriations committee had before it testimony of FTC officials on the \$100,000 budget item for insurance work. Mr. Freer said it is "necessary for the commission to analyze" state insurance laws "in the light" of the FTC and Clayton laws "in order to promptly discharge the responsibilities thus imposed upon it by congress" under public law 15.

Freer said FTC had not been prepared to "administer our laws as applied to insurance" or to study state laws, and that Congress had not wanted FTC

(CONTINUED ON PAGE 32)

Indiana Turns Down Retrospective Rate Filings

INDIANAPOLIS—The Indiana department has rejected the new retrospective rating filings for casualty companies. The filings had been accepted tentatively in November, but on Jan. 15 were found not acceptable because of conflict with the recent compensation amendment to the insurance code. Disapproval was made on the basis of the filings being discriminatory in character. While discussion regarding the filings is now going on, no formal hearing is contemplated.

The Indiana law pertaining to retrospective rating was first enacted in 1935. In 1941 and 1947 it was amended to permit deviations on single risks, if the approval of the department is obtained. Deviations in excess of the published rates require permission of the insured, in addition to that of the insurance department.

Limits Automatically Raised

The limit of payment for expense of treatment by physician or surgeon, hospital or nurses' fees, is increased by 50% on most Aetna Life A. & H. policies and riders during their continuance, as to all claims thereunder for injuries sus-

tained in 1948 and to the next expiration date of each such policy and rider after Dec. 31. This is the blanket medical expense coverage. It is granted without additional cost to policyholders. All such policies which contain a \$500 limit automatically provide a limit of \$750. One thousand dollar limits become \$1,500, and other limits of this reimbursement are increased proportionately. No formal extension of benefits rider will be necessary.

Southland Entering A. & H.

Southland Life has set up an accident and health department and will begin to issue policies April 1, President W. C. McCord announced at the annual agents' convention at San Antonio.

Speakers for "Ad" Rally

NEW YORK—A. E. Spottke, secretary National Bureau of Casualty Underwriters, will discuss current problems in advertising and insurance at the Insurance Advertising Conference meeting Feb. 20 at New York. E. L. Clark, assistant treasurer J. C. Penney Co., will talk on "The Buyer's Viewpoint on Insurance Advertising"; H. D. Shaw, president Direct Mail Club of Philadelphia, "Let's Talk About Direct Mail"; Harry

Armond, editor "Safety Engineering," "Saving Lives with Safety Advertising"; and John Cosgrove, public relations director of American, "Public Relations for the Local Agent." A round table discussion will follow the formal talks.

Air Trade Group Has Parley with Insurance Men

An industry group is meeting at New York Thursday with the insurance committee of National Aviation Trades Assn. to discuss particularly the problem of insurance coverage for airport operators. The experience on this class of business has been very unsatisfactory. Hull crash losses on planes used in the student training program are particularly numerous. The industry conferees include representatives of U. S. Aviation Underwriters, Associated Aviation Underwriters, Aero, North America and Transportation Insurance Rating Bureau.

Lawyers-Adjusters Proper Bargaining Unit by NLRB

WASHINGTON — Attorneys and investigators and adjusters at New York of Lumbermen's Mutual Casualty have been found by national labor relations board to be employees who may be represented in collective bargaining with the company. The board ordered secret ballot elections to be held within 30 days among the two groups of employees to determine whether they desire to be represented by Independent Insurance & Banking Employees Union.

The union had petitioned for setting up of a collective bargaining unit including all non-supervisory investigators, adjusters and attorneys, but in the alternative, the union would accept one unit for attorneys and another for adjusters and investigators.

Company's Position

L.M.C. had contended that neither attorneys nor adjusters are appropriately included in a bargaining unit. It argued attorneys are not employees and that adjusters represent management, but took the position that if there is to be a bargaining program, the units should be separate as in the union's alternate request.

The board voiced the belief that lawyers are among the professional groups affected by the Taft-Hartley law. Adjusters were held not to be supervisory employees such as the law excludes from collective bargaining.

A. L. Taylor Joins Son

A. L. Taylor, who from 1933 to 1935 was industrial commissioner of Indianapolis Chamber of Commerce and for the past 12 years executive vice-president of Cedar Rapids Chamber of Commerce, has joined Taylor Publishing Co. of Indianapolis as vice-president. The company is owned by his son, Wendell C. Taylor, and specializes in publishing and printing for insurance and other specialized businesses.

LaSalle Mutual Moves

LaSalle Mutual Casualty of Chicago is moving this Saturday from 39 South La Salle street to new and larger quarters on the 16th floor at 110 South Dearborn street. Seymour B. Orner is president and executive head. The new office occupies about 2,000 square feet.

R. E. Robson, special agent of American Surety at Newark, was honored on his 55th anniversary with New York Casualty at a dinner at New York. A. F. Lafrentz, president American Surety, and W. E. McKell, president New York Casualty, spoke. Mr. Robson has been in production at Newark 22 years.

L. G. Wollschlaeger, Massachusetts Bonding Inspector at Milwaukee office, gave a safety talk on "The New Look" at the dinner meeting of Insurance Women of Milwaukee Feb. 2.

Fidelity-Surety Downward Price Trend Is Cited

Frank A. Bach, president of Fidelity & Deposit, pointed out in his recent annual report to stockholders, that since 1940 premium rates on bankers blanket and commercial blanket bonds have been reduced approximately 57% and 65% respectively. These classifications, he observed, represent about 60% of F. & D.'s fidelity premium income.



Frank A. Bach

During the same period, Mr. Bach continued, the basic rate on construction class B contract bonds was reduced 33 1/3% and rate reductions on several other important contract classifications averaged about 25%. The classifications affected by these reductions represent approximately 77% of F. & D.'s total contract bond premiums.

Certain of our public official and judicial rates have been reduced below pre-war levels.

"Bearing in mind that these very material premium reductions were made available to our principals and assured at a time when practically every item of our own operating cost was increasing, it is evident that your company and the industry, of which it is an important part, have already made a truly outstanding contribution toward the fight against inflation," Mr. Bach observed.

Zone 5 Is Making Plans for Rating Forum

Plans are being shaped for a forum to be held either at Memphis or Little Rock for rating division personnel of insurance departments. This would be under the sponsorship of Zone 5. Commissioner McKenzie of Arkansas is taking the lead in making the arrangements. The first such forum was held at Richmond last year, and National Assn. of Insurance Commissioners gave its sanction to the holding of similar meetings elsewhere.

Such a forum had been planned by Zone 6 for San Francisco, Feb. 27-March 2, but this has now been postponed. Zone 6 is to have a meeting at San Francisco March 1-2 and new dates for the forum will probably be determined at that time. One suggestion is that it be held just prior to the N.A.I.C. annual meeting at Philadelphia in June so that the coast men could attend the forum enroute to Philadelphia.

Burns Succeeds Coman as Aetna Providence Manager

Edward L. Coman, manager of the Providence office of Aetna Casualty, is retiring after 35 years with the company.

He is succeeded by C. J. Burns, who for eight years has been agency supervisor in Pittsburgh.

Mr. Coman entered insurance in 1908 and joined the Aetna in 1913. He was appointed manager of the accident department in Providence in 1916 and to manager in 1922.

Mr. Burns graduated from Harvard in 1925. He joined Aetna in 1926 as an underwriter in Albany, N. Y., and later was promoted to special agent. He was transferred to New York in 1928 as a special agent. He conducted an advanced course for New York agents and brokers from 1935 to 1937 and also had experience in the special risk division. He was promoted to supervisor at Pittsburgh in 1940.



Goalies Are Made of Stern Stuff.....

When the opposition breaks through the defense . . . it's up to the goalie to stop the score. The goalie must be a smooth, coordinated star to succeed. Doesn't the same hold true in the Insurance business? In order to back up local Agents and help them build sales, insurance companies must operate smoothly and efficiently. They must have coordination. That is why so many Agents prefer the HAWKEYE-SECURITY companies. HAWKEYE-SECURITY strives constantly to build sales for Agents. All departments function smoothly and efficiently and HAWKEYE-SECURITY Agents are able to offer their clients complete Fire and Casualty coverages.

HAWKEYE CASUALTY CO.
SECURITY FIRE INS. CO.

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A. Bach

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CONDUCTING THEIR BUSINESS
ONLY THROUGH ACCREDITED
AGENTS AND BROKERS—
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ACCREDITED AGENTS AND BROKERS
LIKE TO DO BUSINESS WITH

AMERICAN
INSURANCE



ASSOCIATED
COMPANIES

AMERICAN AUTOMOBILE
INSURANCE COMPANY
SAINT LOUIS

ASSOCIATED INDEMNITY
CORPORATION
SAN FRANCISCO

H. C. Graebner Insurance Professor at Butler

INDIANAPOLIS—Appointment of H. C. Graebner, holder of a Huebner foundation fellowship in the graduate school of University of Pennsylvania, as associate professor of business administration and head of the insurance division in the college of business administration of Butler University is announced.

Dr. Graebner is completing his graduate work on his doctor of philosophy degree at University of Pennsylvania. He replaces Dr. Robert I. Mehr who

is now with University of Illinois. Dr. Graebner is a graduate of Valparaiso University and Northwestern University. He is a Chartered Life Underwriter.

He has had teaching experience at Valparaiso University, Westminster College, American Institute of Banking, Sharon, Pa., and a supervisor of C.L.U. study groups at Youngstown.

K. C. F. & M. Coast Setup

Cravens, Dargan & Co. has been appointed Pacific Coast general agent for Kansas City Fire & Marine, which has become a member of the Pacific Board.

Illinois Supreme Court Rules Against Compensation Where Spouse Employs

The question of whether insurance companies should make payroll audits to cover one person of a married couple employed by the other was resolved in Illinois by a decision of the state supreme court that neither a husband nor a wife may claim workmen's compensation for injuries suffered as an employee of the other spouse. It has been the practice of some companies to deduct these premiums and other companies have not considered it necessary. Aetna Casualty, defendant in this case, had collected no premium. Though having no direct effect upon the laws of the other states, the Illinois decision does establish a precedent as the first decision in a court of last resort on coverage of a person employed by his or her spouse. The case was that of Warner Wilhelm of Chicago, who asked \$2,500 compensation from Medical Products Co., owned by his wife, and insured with Aetna Casualty. Mr. Wilhelm lost one eye while working on a company building.

Litigation began four years ago after the Illinois industrial commission overruled the claim. The circuit court overruled the commission and the case went to the supreme court on a writ of error. George Angerstein represented Aetna Casualty.

The high court ruled that under the so-called husband-wife law, passed in Illinois in 1874, no employer-employee relationship can exist where one person of a married couple employs the other. This law was originally passed to prevent claims by a survivor upon the estate of a deceased for salary due under such arrangement. The workmen's compensation act passed in the state in 1913 did not repeal this old law. The court held that though the law referred only to earnings, workmen's compensation is based on earnings.

The decision will clarify compensation audit in those cases where a husband, for example, pays a salary to his wife to secure a tax advantage in Illinois which does not have a community property law.

Mecum to Phila. Post

Ralph M. Mecum has resigned as sales representative for Rough Notes Co. to become special agent in Pennsylvania and Maryland for Ohio Farmers Indemnity with headquarters at Philadelphia. He attended Butler university,

served as sales manager for American Mutual Liability at Cincinnati and during the war was insurance manager for P. R. Mallory & Co., Indianapolis.

Traffic Safety Project Gains Impetus in Ill.

Illinois traffic safety committee was organized at a meeting at Chicago, sponsored by accident prevention bureau of Assn. of Casualty & Surety Companies. J. S. Richardson, Standard Accident, is chairman. The other members are D. K. Weiser, Aetna Casualty; R. L. Haskell, Employers Liability; W. A. Osgood, Indemnity of North America; Spencer Welton, Massachusetts Bonding; William E. Tucker, Metropolitan Casualty. The committee will be extended to take in Illinois Assn. of Insurance Agents, to tie in with the N.A.I.A. program and probably other organizations. There will probably be held at Chicago in March, a three-day seminar in motor vehicle fleet supervisor training for employees of member companies of the Assn. of Casualty & Surety Companies. Then there will be undertaken administrative studies of traffic situations in various municipalities, conducted in connection with local boards.

J. S. Richardson



P. J. Lynch to Chicago Bond Post for Standard

P. J. Lynch, who has been manager at Pittsburgh for Standard Accident for the past seven years, it is reported, is now located at Chicago where he is carrying on the work of the surety bond department that was handled by the late M. J. Scheemecker. Mr. Lynch started with Standard Accident at Philadelphia in claims work and has had experience in many sides of the business.

Kemper Premiums Up 31%

Combined premium writings of the J. S. Kemper companies were \$81,234,000 for 1947, an increase of \$19,305,000, or 31%.

Lumbermens Mutual Casualty had premiums of \$59,040,000, increase 33%. It had increases in every line.

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Traf Fews

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Traffic Deaths 4% Fewer in 1947

The death toll in accidents in the U.S. for 1947 is estimated by National Safety Council at 100,000, which is 2% above 1946. All accident classifications except traffic and military personnel showed increases, but the over-all increase was due principally to a sharp rise in public accidents other than motor vehicle—notably drownings and disaster tolls.

There was a 4% decrease in traffic deaths, the 1947 toll being 32,000 as against 33,411; home accident deaths were 33,500 against 32,500, increase 3%; occupational 17,000 as compared with 16,500, up 3%; public 19,000 opposed to 17,000, up 12%, and military personnel 1,600, down from 2,000, decrease 20%.

London on California Crash

Hull and liability coverage on the Airline Transport Carriers plane which crashed in California last week was placed in London. Industrial Indemnity of San Francisco carried the compensation on the crew. There is no limit to the recovery for damages under the wrongful death statute in the state.

Thirty-two persons were killed in the crash including 28 Mexican laborers who were being deported, the crew of three, and an immigration service guard. The plane was chartered by federal immigration service and was under mortgage to war assets administration.

Rothermel Takes in Son

W. H. Rothermel, Jr., independent adjuster of Chicago, has taken in his son, Stephen W., as an associate and hereafter will operate as W. H. Rothermel, Jr. & Associate. This carries the Rothermel name in the insurance adjusting business into the third generation representing the companies in adjustment of losses for over the last 50 years.

Cunningham Again

The patrol committee of the Chicago Board at its annual meeting Tuesday elected R. M. Cunningham of Marsh & McLennan chairman, A. F. Powrie, Fire Association, vice-chairman and reelected H. A. Clark, Firemen's, as the seventh member. Six members of the committee are elected by the board and the committee then elects a seventh member.

Kenney Bay State Speaker

Bay State Club of Boston will hear Roger Kenney, insurance editor "United States Investor," at its luncheon meeting Feb. 9.

Correct Haynes Status

THE NATIONAL UNDERWRITER in its Jan. 15 issue mistakenly stated that William T. Haynes is retiring as resident vice-president at Newark for New Amsterdam Casualty and is being succeeded by Ralph W. Hawkins. Mr. Hawkins, who has been assistant manager, has been promoted to resident manager, but Mr. Haynes remains as resident vice-president.

Postpone Atlanta Congress

The sales congress of the Atlanta Accident & Health Underwriters Assn. has been postponed until November. It was originally scheduled for this spring.

The association will conduct a membership drive through the year and A. S. Quinn, Mutual Benefit H. & A., and L. I. Skinner, Retail Credit, have been named co-chairmen.

Provide Fleet Cover in Ia.

DES MOINES—Kenneth Neu, director of the financial responsibility division of the Iowa department of public safety, announced the department has devised a new system whereby owners of 15 or more vehicles may file a "fleet coverage" form to comply with the

state's financial responsibility law.

The new form will allow coverage for all vehicles operated by the same owner rather than having the owner post evidence of financial responsibility on each individual vehicle.

New Sterling Officers

Sterling of Chicago has created the new position of chairman and elected its president, Louis A. Breskin, to be chairman and president.

Also created was the office of auditor and named to the position is Edward

J. Cotter, who has been engaged in the insurance business at Chicago more than 20 years.

James A. McCullagh, in the insurance business for 20 years and formerly with the Illinois department, was named treasurer. D. M. Jacobs and P. K. Hornburg were named assistant secretaries.

Provident L. & A. Reports

Accident and health premium income of Provident Life & Accident in 1947 increased 24% to a total of \$19,585,413.

Assets stand at \$42,829,313, a gain of \$5½ million.

At the annual meeting John L. Evans was named office manager of the railroad accident department and John Saint was appointed office manager of the accident department.

Buy New Home Office Building

Lumber Mutual Casualty has bought an eight-story building at 4th avenue and 21st street at New York and will occupy it as a home office as part of its expansion movement.

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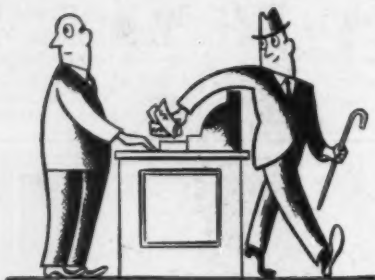
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The keenest eyesight cannot fully protect the employer against the tremendous losses caused by dishonest employees, whose depredations are constantly being reflected in newspaper headlines. But adequate fidelity insurance—such as that offered by Manufacturers—will.

Avail yourself of this opportunity to increase your profits. Sell Manufacturers. You'll find a vast number of potential clients among those employers who are waiting to be told about Manufacturers.

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Oregon Broker.....	556
New Jersey Broker.....	437
Georgia Broker.....	361



N. J. UCD Bill Has Penalty Feature on Private Cover

A bill has been introduced in the New Jersey legislature to provide workers cash sickness benefits of \$9 a week minimum for 10 weeks and a \$22 maximum for 26 weeks. The program would cut employers' contributions to the unemployment compensation commission an estimated \$17 million annually. The legislation would eliminate worker contributions of 1% for unemployment compensation, which now total \$29 million a year. It provides that .1% of worker's payroll shall go to the cash sickness benefit fund if he is covered by a private insurer. If he is covered in the state fund to be set up under the program, his contribution would be at the rate of the 1% he now pays to the unemployment compensation commission.

The legislation has Governor Driscoll's backing. Gov. Warren of California has offered to send experts in UCD to help set up the New Jersey program.

The thing that concerns insurers is the penalty of .1%. Private insurers, in effect, would have to pay on sickness coverage they provided under private plans to the employer who wanted to make provision for his workers that way. This difference amounts to an extra tax of .1%. In the original governor's bill last year there was a provision of this kind of .25%, but after considerable negotiation this was eliminated entirely. This year's .1% is only better by degree. It still would put private insurers at a tremendous disadvantage, one which might prevent them from writing any substantial amount of this business. The provision would subsidize the state fund to that extent and, of course, would make its competition so powerful the insurers might not be able to meet it.

Plan Membership Drive in N. Y. Federation

Plans to increase the membership of Insurance Federation of New York to 50,000 were made at a meeting. Company managers have been asked to put on membership drives in their offices.

Insurance legislative measures were discussed. Efforts are being made to amend the unemployment insurance law to include sickness benefits, it was reported. Robert V. Branion, eastern manager of Zurich, is chairman of the membership committee.

G.M. Group Plan Is Held Up by Writ

Federal Judge Conger in New York Tuesday granted General Motors its request to postpone indefinitely a hearing on the court's order temporarily restraining General Motors from placing in effect its revised group insurance plan for employees represented by UAW. The hearing was postponed until June 1 or until such time as the court sees fit. This leaves the issue to be decided in Detroit, where, on Feb. 10, NLRB will begin its complaint against the motor company. This will avoid the confusion of conducting hearings in New York and Detroit at the same time.

The federal court in New York City has issued a temporary restraining order barring General Motors from putting into effect on Feb. 1 its new group insurance plan with Metropolitan. The action was requested by the NLRB general counsel who contended that General Motors failed to bargain on the plan with UAW-CIO. The union had filed a charge against the company last week, the first such action taken against a major company under provisions of the Taft-Hartley act.

Arguments were heard this week before Federal Judge Bright on whether the order should be permanent. Meanwhile General Motors did not put the plan into effect for 175,000 employees, but it is in effect for non-union people and those represented by other than UAW.

General Motors has had a group program in which employees could voluntarily participate for 21 years. More than 70 changes and modifications have been made since that time and neither the original plan nor any other changes have ever been the subject of negotiation with a union. General Motors contends that it is not required by law to negotiate benefit plans of this kind with a union and points out that neither NLRB nor any court has ruled specifically to that effect.

While insurers are not directly concerned in the present issue, it is suggested that if the NLRB point of view is upheld, the effect might be to cause employers to lose interest in group insurance.

Federal of Chicago Raises Myers, Anderson, Erickson

Federal Life of Chicago has promoted Glenn Myers to vice-president and actuary, T. Loyal Anderson to vice-president in charge of claims and Edward Erickson to auditor in the investment department.

Mr. Myers has been actuary and assistant secretary since 1939. He graduated from the University of Michigan in 1927 and entered the actuarial department of Continental Assurance. He joined American Medical Life of Spokane as actuary and assistant secretary in 1930 and went with Federal Life as assistant actuary in 1931. He has been a director of the company since 1933.

Mr. Anderson has been assistant secretary and chief claim adjuster and a director. Before joining Federal Life in 1930 as assistant actuary he was with the Illinois insurance department as actuary. Prior to this he was with Donald F. Campbell, independent actuary in Chicago. He graduated from the University of Michigan and did further work at Armour Institute.

Mr. Erickson has been in the investment department of Federal Life for 16 years and formerly was an accountant in non-insurance fields. He is a Northwestern graduate.

New Insurer at Cairo, Ga.

Richmond I. Barge, Jr., has been made manager of the new Citizens Ins. Co. of Cairo, Ga. He was manager of Royal Indemnity at Atlanta for six years.

New Mass. Blue Cross Proposal Would Reduce Daily Payments to \$7

BOSTON — Roger W. Hardy, executive director of Massachusetts Blue Cross, has submitted to hospitals throughout the state a proposal to eliminate maternity benefits for individual subscribers among its 2 million members and to set up a \$7 top on daily payments for hospital bed and board.

The proposal aims at stopping the maternity benefits to subscribers not now paying through groups, which in the past year or more has been the chief cause of the shrinkage of some \$2 million in assets of the Blue Cross and brought about an investigation by legislative committees and criticism of the insurance department. The Blue Cross was faced with an ultimatum when the principal hospitals dealing with it contended that it could no longer maintain its service at the day rate agreed upon in earlier times, and threatened to withdraw.

The new scale calls for paying up to \$7 daily for room and board for 30 days and up to \$3.50 daily for 90 more days' hospitalization as against the current plan which allowed full benefits for 120 days' hospitalization, at \$10 per day. Subscribers would be held responsible for amounts above these rates. Other benefits would not be affected.

Put Final Touches on Miss. Agents Bill

An agents licensing bill has been drafted by Mississippi Assn. of Insurance Agents, and is receiving final consideration by the legislative committee and the directors at the meeting Thursday and Friday of this week.

A workmen's compensation bill has again been introduced in the Mississippi legislature. This is the only state in the country that does not have a compensation law.

A bill was passed to require public liability and property damage insurance of taxicabs and to require qualifications of drivers. Another bill has been introduced to provide for insuring publicly owned school buses against liability for injury to school children.

Appeal to High Court

WASHINGTON—Republic Aviation Corp. and Liberty Mutual have petitioned the U. S. Supreme Court for writ of certiorari to the second circuit court in suit involving Samuel S. Lowe, deputy commissioner U. S. Employees' Compensation Commission, and Aida M. Parker, in which circuit and district courts ruled against the companies.

They contend Joseph Parker, test pilot for Republic, and that company's contract with the government for plane testing and servicing, were not covered under the defense bases act, which applied to the longshoremen's and harbor workers' compensation act to employees at foreign military bases of the U. S. Parker was killed in a test flight at La Shima, Japanese island, American-occupied.

The companies argue that the contract was not for public work contemplated under the law, that the U. S. did not "acquire" that island, and the Parker claim is invalid.

Oil Examination Starts

Examination is to be started next week by the Illinois department of Oil Insurance Assn. of Chicago. This is the first time this syndicate has been examined. In view of the extensive experience that New York state has had in examining insurance bureaus, New York will participate in the examination at the invitation of the Illinois department.

The executive committee of Bureau of A. & H. Underwriters will meet Feb. 18-19 at the headquarters at New York.

\$64,500 Jury Award Shows Product Liability Danger

A suit that shows the danger of the product liability hazard was decided by a jury in the New York supreme court. The chaps of a cowboy suit caught fire and caused the death of an eight-year-old boy, Thomas McCormack. James McCormack, his father, a doorman at an apartment house, was presented the chaps by Milton A. Henry, president of M. A. Henry Co., manufacturers of the suits, to give to his son for Christmas.

The jury awarded the father \$64,500 against Henry Co., Woonsocket Falls Mill, Woonsocket, R. I., manufacturers of cloth, and E. F. Timme & Son, New York, sales agent for the mills.

The suit charged that the companies were negligent in failing to warn parents of the combustible nature of the material in the chaps, which were made from viscose rayon, a wartime substitute. The suit caught fire and subsequently the boy died.

Central Surety Shows Many Gains in Statement

Central Surety in its new statement, reports assets of \$16,233,637, which was an increase of \$1,820,815; claim reserves aggregated \$6,045,331, increase \$953,098; premium reserve \$4,769,940, increase \$636,655 and surplus \$3,475,765, increase \$83,108.

Net premiums written were \$11,845,903, an increase of \$2,146,811. Net earnings after income tax were \$212,804.

Texas Department Men and Agents to Meet

Casualty Commissioner Gibbs of Texas and five department heads will hold a casualty conference at El Paso Feb. 9, and another at Midland Feb. 11. These will take the place of the regional meeting planned for district 6 and are sponsored by the Texas Assn. of Insurance Agents.

With Mr. Gibbs will be Paul Benbrook, casualty actuary; Angus McDonald, assistant casualty actuary; A. W. Penn, director of bonds and burglary; Dean Whiffen, director of general liability, and J. D. Wheeler, director of compensation.

Chapman Heads K.C. Office

Associated Aviation Underwriters has opened an office at Kansas City with J. Robert Chapman as manager. The office will service Missouri except St. Louis, Kansas and Nebraska.

Mr. Chapman is a graduate of Dartmouth and started in the business with Marsh & McLennan in 1935 at Chicago. During the war he was in the navy air force.

Trustee Group Bill in Mass.

BOSTON—A bill to permit accident and health companies to issue group policies to trustees of a fund established by one or more trade unions, including non-members, was given hearing by the Massachusetts legislative joint insurance committee. It was supported by domestic health and accident companies, but opposed by Commissioner Harrington who contended the measure tends to confuse the law. While the companion life measure had provided that the employer must contribute to the premiums, the accident and health bill permitted employees to pay the full premium.

W. J. O'Meara Promoted

William J. O'Meara has been named casualty advertising manager of the Aetna Life organization.

A graduate of Holy Cross, Mr. O'Meara has had advertising and radio experience at New York and, during the war, served in the army with the rank of captain. He joined Aetna as a copywriter in 1946, and was later promoted to assistant casualty advertising manager.



Are you "THE BOND MAN" in your town?

Are you known as "the bond man" to the attorneys in your town? Do you get first call for probate bond business?

Most important to the agent who gets and keeps this profitable business is a company that will equip him for fast and efficient handling of probate bonds.

Ohio Casualty provides that service. Here's how one veteran O. C. agent describes it:



"It is a genuine pleasure to go into the field backed by a department where 'good old horse sense' is a component part of its underwriting. Our setup on Probate Bonds entitles us to a substantial share of the available business in our territory..."

Enthusiastic agents all over the nation acclaim our time-saving short-form order blank, our short-cut, streamlined handling of probate business—a procedure so simple that bonds can be arranged for over the telephone.

Inquiries are welcomed from responsible agents.

THE Ohio Casualty INSURANCE COMPANY
FAST, FRIENDLY, COAST-TO-COAST CLAIM SERVICE
Home Office - Hamilton, Ohio

ACCIDENT AND HEALTH

A. & H. Producers Condemn Proselyting at Meetings

The executive board of National Assn. of Accident & Health Underwriters passed a resolution at Indianapolis condemning those who have attended association meetings for the purpose of proselyting agents. A grievance committee was created before which proofs of proselyting are to be presented as an initial step in expulsion of any individual, agency or company.

The committee consists of Charles B. Stumpf, chairman; Porter Bywaters, George Richards, G. A. Crutchfield and Carl Ernst.

Arrangements were completed for a membership drive during February. A

gain of almost 1,000 members was reported for 1947. The executive office was instructed to begin a monthly bulletin service to members and plans were made to strengthen zoning arrangements. It was decided to add to the staff for educational purposes. Those in attendance looked over the new national offices in Indianapolis. Plans were completed for the annual convention in Minneapolis, June 28-30.

Nunamaker at St. Louis

H. H. Nunamaker, Columbian National Life, Cleveland, said the accident and health salesman, like the big league baseball pitcher, should use the best pitch for the particular situation confronting him, in addressing Accident &

Health Underwriters Assn. of St. Louis on "Change of Pace."

He demonstrated the value of being able to cite actual accidents or illnesses to show the need for protection.

Competition Aids A. & H. Production

A. & H. production attracted real talent over the years and is a line which carries a commission commensurate with the amount of skill and ability required to produce the class in volume, Joseph H. Norton, vice-president of Continental Casualty, told the A. & H. Club of New York.



J. H. Norton

The so-called non-profit and co-operative plans have been a great stimulus, he said. They have educated the public to the advisability of hospital and surgical cover, and by keeping the subject so well advertised have made it easier to discuss the indemnity and time loss protection. The minimum amounts of group protection are widely discussed and stimulate individual income policy sales on all income levels.

Most people rely upon income for food, clothing, shelter, luxuries, and old age security. Remove the income for any reason and the plans come to a halt.

The broker should have enough general information about A. & H. and its variations so that he can intelligently initiate a case and handle it without embarrassment in the early discussion stages.

Defer Conn. Surgical Plan

HARTFORD—Connecticut Medical Society has postponed indefinitely all plans for prepaid surgical insurance for lower income groups in this state. The society's house of delegates has referred the proposal back to the committee that formulated it "for further improvements." Earlier the society's delegates had voted against a motion that would have resulted in adoption of the plan with improvements already suggested by some county societies.

The committee has no specific mandate on how to improve the plan. The insurance committee staff will include members of every Connecticut hospital and representatives of every medical society.

Putnam Takes H. O. Post

J. A. Putnam, manager of American Hospital & Life at Chicago, is going to the home office at San Antonio to manage the claim department and work on hospital contracts. Mr. Putnam is a graduate of the University of Missouri and practiced law in that state for five years before entering the navy. He joined American Hospital & Life upon discharge as a salesman at Memphis. He was sent to Chicago as manager two years ago.

Mr. Putnam is succeeded by Albert J. Kerkis, who has been with the Hughes agency of Massachusetts Mutual Life at Chicago for six years. The Chicago branch does a sizable brokerage business and is now enlarging its full-time agency staff.

Pauley Milwaukee Speaker

MILWAUKEE—C. O. Pauley, secretary of Great Northern Life, spoke on "The Trend in the Accident & Health Business" at the February luncheon meeting of Accident & Health Underwriters of Milwaukee. Carl A. Ernst, North American Life & Casualty, association president, announced that the sales course sponsored by the

Milwaukee association will be started this month, as soon as the full enrollment is completed. Arthur Laun, Time, is chairman of the education committee which is arranging the course, the same as that sponsored by the National Association at Purdue and other universities.

Ia. Commissioner Is Speaker

Commissioner Alexander of Iowa, speaking before the Des Moines Accident & Health Underwriters Assn., described the work of the Iowa department and the functions it must perform. He pointed out that the department handles over \$1 billion of securities for insurance companies but has only \$60,000 a year on which to operate.

New Inter-Ocean Titles

CINCINNATI—W. G. Alpaugh, president of Inter-Ocean, has now assumed the additional duties of treasurer. J. W. Scherr, Jr., heretofore vice-president and secretary, becomes executive vice-president and secretary. C. W. Alpaugh, formerly assistant secretary, becomes president, and W. G. Alpaugh, Jr., was named assistant secretary.

Carey to Be Reappointed

NEWARK—Commissioner Carey of New Jersey is expected to be reappointed for another three-year term. His present term expires Feb. 12. He has the backing of the insurance interests and of the Republican organization.

Joins Manley-McLennan

Robert H. Magie, Jr., has become associated with Manley-McLennan of Duluth, representatives there of Marsh & McLennan. Mr. Magie entered the business 12 years ago, and has been associated with Travelers at Duluth.

W. M. Shiels, 64, from 1917 to 1942 southern California casualty manager for Travelers, dropped dead at his home. During the recent war he was state property custodian.

CHANGES

Simmerman Now Secretary, Frey Assistant Secretary

Paul M. Simmerman has been elected a secretary and T. E. Frey an assistant



P. M. Simmerman

secretary of National Union Indemnity. Mr. Simmerman is head of the casualty claim division. From 1914 until joining National Union Indemnity in 1946 he was with New Amsterdam. He is an officer of Pittsburgh Casualty Claims Assn. and a past president of Insurance Club of Pittsburgh.

Mr. Frey is in charge of the fidelity-surety division. He joined National Union Indemnity last November, graduated from University of Pittsburgh and also from its law school, and started with Commercial-Metropolitan Casualty in 1929. He has practiced law, including surety claims and was bond manager at Pittsburgh for Maryland Casualty when he went with National Union.

Thomas Underwriting Head for Preferred in Chicago

Howard E. Thomas, who since returning from service with the marines in the Pacific has been connected with American Automobile in Chicago as an underwriter, has gone with the Chicago office of Preferred Accident as super-



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Such coverage also has another appeal. It lends added prestige to an individual or firm as only reputable

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This new contract was developed and made available by our organization. As a result, our experience should be most helpful to you in obtaining this profitable source of new revenue. Complete information will be sent upon request. **UNDERWRITTEN BY LLOYD'S OF LONDON.**

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Payroll & Other Casualty Audits & Inspections.

Audits of Burglary & Bond losses.

Audits for reinsurance companies of payrolls, claims, etc.

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Audits of Cargo Motor Lines to determine financial responsibility and outstanding claims.

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WANT ADS

FIELD MAN WANTED

The advancement of certain of our personnel has left an opening for a field man in the Detroit, Michigan, area. Here is an opportunity for establishing your future with an alert, progressive, general casualty company, well-known throughout the middle west.

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AUTO-OWNERS
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INSURANCE ACCOUNTANT

Experienced young casualty accountant qualified to assume management of accounting and statistical department of mid-western mutual casualty company, writing \$2,000,000. If you have the experience, are under 45 and free to move, this is an exceptional opportunity. Give full details. Address O-57, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

YOUNG MEN

with insurance and accounting experience by prominent insurance organization for foreign service. Write stating age, qualifications, and salary desired to National Underwriter Co., AB-67, Room 1103, 99 John St., New York City.

I WANT A JOB

Do you need a well rounded young casualty claim man with home office executive experience that will work hard, take responsibility and get results? Presently self-employed. Address O-71, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

AVAILABLE

Experienced casualty adjuster, now employed, desires connection with Health & Accident Company for territory of or including Ohio. Address O-72, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Positions available as field men in Virginia and West Virginia. Agency organization established. Excellent opportunities. Address inquiries to The Shelby Mutual Casualty Company, Shelby, Ohio.

COMPENSATION UNDERWRITER

needed by General Casualty Company of America to establish department for central states, headquarters St. Louis. Unusual opportunity. Address 11th Floor, Buder Bldg., St. Louis 1, Missouri.

AUDITOR AVAILABLE

Traveling Auditor, Branch Office, General Agency, Claim Office. Thoroughly experienced Surety, Casualty, Inland Marine. Many years insurance and surety field audits, internal and public accounting background. Address Box LO 2, National Underwriter, 99 John Street, New York.

visor of underwriting in all casualty lines. He succeeded James H. Alter who has been head underwriter for seven years and has just resigned to become head of the casualty underwriting department for the L. G. Stewart & Co. agency of Chicago.

Robert J. Klein, also of American Automobile at Chicago, has resigned to join Preferred Accident there Feb. 15 as automobile underwriter.

Fitzpatrick Named Boston Manager for Travelers

Travelers has promoted James B. Fitzpatrick to manager at Boston. Mr. Fitzpatrick has been assistant manager since 1929 and acting manager since Jan. 1 when former Manager Robert A. Hogsett retired.

Mr. Fitzpatrick was graduated from the University of Vermont. He joined Travelers in the claim department in Burlington, Vt., in 1920. In 1923 he was appointed a field assistant at Manchester, N. H., and in 1926 transferred to Boston in the same capacity.

Three New Vice-presidents for Hawkeye-Security

DES MOINES—Several new vice-presidents were approved at the stockholders' meetings of Hawkeye Casualty and Security Fire of Iowa. George Olmsted heads the two companies. Also articles of incorporation of Security Fire were amended to make Des Moines the principal place of business instead of Davenport.

New vice-presidents are W. L. Cobb and Charles Rupprecht, both of Des Moines, and George Allen of New York, resident vice-president. Ralph Knudson of Des Moines, formerly first deputy insurance commissioner, was elected comptroller.

Security Fire assets increased from \$1,987,000 to \$2,149,000 with premium writings up from \$1,185,000 to \$1,378,000.

Hawkeye Casualty assets increased from \$2,900,000 to \$3,800,000 and premium writings were up from \$2,688,000 to \$4,442,000.

Mass. Bonding Promotions

Massachusetts Bonding has elected Stephen McLaughlin as vice-president; Roy Hills and Everett H. Critchett, assistant vice-presidents; Clarence E. Miller, assistant secretary, C. Waldo Lovejoy, assistant secretary and manager of the metropolitan department, with Dante Gozzi assistant manager.

Frederick G. Lockwood was named manager of the New England department and William E. Russell manager of the public official and depository bond department.

Walter Channing has been elected as a director.

Chandler Heads Ind. Exch.

John C. Chandler has been elected president of California Casualty Indemnity Exchange, large writer of compensation and automobile business in California.

Hartford Opens Claim Offices

Hartford Accident has opened claim offices in Sioux City and Savannah, Ga.

Sioux City is managed by J. Everett Seaton, who has been with Hartford since 1941, except for army service. He has been an adjuster in Des Moines. Mr. Seaton graduated in law from Iowa State University in 1941.

Savannah is managed by Peyton H. Todd, Jr. Mr. Todd joined Hartford in 1942, at Atlanta. In 1946 he was placed in charge of the claim office at Albany, Ga. He attended the University of Georgia and graduated from Atlanta Law School in 1931.

Elevate Gowdy, Hawkes

J. Wilson Gowdy, underwriting man-

Proudly Serving Our More Than 5500 Licensed Agents

We have taken the red tape out of the bonding business; we recognize no competitor in the many innovations which we have adopted for the agents' convenience; among the many features we have to offer are:

Competitive rates — a handy rate manual (you have never seen one like it!) — order blanks in place of applications for preferred business — streamlined application blanks (as short as we can make them) — bond forms in pads — executed padded bonds for most frequently used bonds, such as notary, beer, liquor, etc. (use like insurance policies) — the most attractive agency and notary signs — a handy kit of supplies (not bulky).

It will cost you nothing to have our representative call and show you how we have improved upon the old fashioned method used by most companies. We will appreciate an invitation to call.

WESTERN SURETY COMPANY

ONE OF AMERICA'S OLDEST BONDING COMPANIES

175 W. Jackson Blvd.
Chicago 4, Illinois

21 W. 10th Street
Kansas City 6, Mo.

Sioux Falls
South Dakota



ager, and Kenneth S. Hawkes, claim manager, have been elected vice-presidents of Northwest Casualty of Seattle.

Indiana Advances Laid

Indiana Insurance Co. has named Donald F. Laid manager of its inland marine, burglary, general liability and plate glass department. His first insurance connection was with National Bureau of Casualty & Surety Underwriters at Indianapolis, followed by two years with the Panborn & Houck general agency. For 13 years he was with Aetna Casualty and the past year has been office manager of the Herman C. Wolff agency at Indianapolis.

F. W. Connelly N. Y. Head of Manufacturers Group

Francis W. Connelly of Manufacturers group has been appointed New York manager for Manufacturers Casualty

and Manufacturers Fire. He has been superintendent of the compensation and liability department at the home office, and is succeeded in that position by Paul R. Brislen, formerly assistant superintendent.

Zurich Appoints Collins

Zurich has appointed Leland D. Collins superintendent of agencies for Oregon and Washington at Seattle. He succeeds L. E. Hed, who is being transferred to Los Angeles for his wife's health.

Home Names Hanten in S. D.

Home has appointed John S. Hanten special agent at Sioux Falls effective March 1.

Helverson Asst. Secretary

James T. Helverson has been elected assistant secretary of Washington National.

UNITED STATES CASUALTY COMPANY

Casualty



Surety

HOME OFFICE:

60 John Street

New York

AMERICAN RE-INSURANCE CO.

Robert C. Ream, President

99 John Street, New York 7, N. Y.

DECEMBER 31st, 1947

CAPITAL	\$ 4,000,000.00
Surplus	8,534,246.69
Voluntary Contingency Reserve	750,000.00
Surplus to Policyholders	\$13,284,246.69
Reserve for Losses	9,067,162.48
All Other Liabilities	7,863,979.60
TOTAL ADMITTED ASSETS	\$30,215,388.77

NOTE: Securities carried at \$700,000.00 in the above statement are deposited as required by law.

CASUALTY . FIDELITY . SURETY
Re-Insurance

NEWS OF THE CASUALTY COMPANIES

Excellent Earnings Revealed in Md. Casualty Report

Premium writings of Maryland Casualty for 1947 were the highest in history, totaling \$49,847,740, representing an increase of 31%.

This necessitated an increase of \$4,370,036 in premium reserve. Net earnings amounted to \$3,145,389 before payment of income taxes, of \$857,635, leaving net earnings \$2,287,753. Dividends upon preferred stocks of \$1,004,280, were paid and \$1,148,719 added to surplus.

Profit from underwriting operations was \$1,021,447. Investment income was \$1,722,500, and there was a recovery from the sale of other assets of \$566,361.

During 1947, the company purchased and retired \$3,309 shares of its \$2.10 cumulative prior preferred stock, 236,631 shares of which are now outstanding.

The investment portfolio showed a depreciation of \$743,021 on the commission basis. This was covered by the contingency reserve, which now amounts to \$3,216,199.

Net surplus was \$16,949,799 and surplus to policyholders \$25,731,532.

Employers Re Premiums Up 30%

Employers Reinsurance recorded a 30% increase in written premiums last year, and its loss ratio went up by 8.1%. Premiums were \$19,275,964, the increase being \$4,491,879. Earned premiums totaled \$16,627,446, increase \$3,720,523.

The loss ratio was 49.3 as against 41.2. The premium reserve including special A. & H. reserve was \$9,625,129, increase \$2,648,517 and loss reserve was \$11,726,920, increase \$1,995,613. Capital remains at \$3 million, net surplus at \$8 million and a voluntary special reserve is now \$1,922,791 as against \$2,597,601. Cash, government and municipal bonds amount to 79.1% of assets, and the ratio of assets to liabilities other than to stockholders is 150.3.

Standard Makes Impressive Showing

Standard Accident in its new statement shows surplus to policyholders of \$13,703,012 including a contingency reserve of \$400,000. This is an increase of \$1,649,259 from a year ago.

Premiums were \$31,227,408, the largest in history. The gain from underwriting was \$1,592,004, and from investments \$686,300, making a total gain from operations before provision for federal income taxes of \$2,278,304, or \$6.47 per share. Federal income taxes accrued on 1947 operations amounted to \$818,000, or \$2.32 per share, giving net after current taxes of \$4.15 per share as compared to a loss of \$6.41 for 1946. Amounts recovered and to be recovered under the carry-back provision of the federal income tax law amounted to

Few Loans for Insurance

WASHINGTON—Only two out of every 100 war veterans who started in business with the help of loans under the GI bill are in the fields of insurance, real estate and finance, veterans administration reports. However, there have been scores of veterans engaged in study of life insurance and in training-on-the-job under other provisions of the GI bill.

\$944,689, or \$2.68 per share.

Assets increased by \$5,933,772 to \$54,449,043 and total invested assets (including stock in affiliates) and cash increased \$5,440,083 to \$46,990,369.

Out of total cash and investments on a market basis of \$46,686,603, the items of cash and government bonds amounted to \$39,536,598 or more than the total of all reserve for unearned premiums and claims and claim expenses.

The affiliated Planet wrote net premiums of \$984,517.

Casualty premiums totaled \$28,239,358, an increase of \$3,828,352 or 15.7%. Bonding premiums totaled \$2,988,048, an increase of \$327,848 or 12.3%.

Net automobile writings totaled \$12,042,222, an increase of \$508,097, or 4.4%. However, because of the large volume of such business received, during the year Standard considered it advisable to cede as special reinsurance to an admitted and approved company \$3,600,000 in automobile premiums. Therefore, the total automobile premiums written by the company amounted to \$15,642,222, an increase of \$4,108,097, or 35.6%. This compares with an increase of 51.8% in 1946.

Compensation writings totaled \$8,688,225, an increase of \$2,106,955 or 32%.

There was \$4,288,848 general liability and miscellaneous property damage; \$1,997,953 A. & H., and \$1,222,110 in all other casualty lines.

Surety premiums totaled \$2,250,120 and fidelity \$737,928. The entire increase in bonding premiums came in contract bonds.

New D. C. Insurer Hatching

WASHINGTON — Interests identified with Abbey Casualty here are reported organizing a new casualty company, the first domestic stock company to write general casualty in the District of Columbia. A spokesman, however, said the report is "premature."

When taxicab insurance became compulsory here interests identified with Premier Taxi Co., it is said, organized Abbey, a mutual, which writes Premier and other taxi insurance.

Farmers' Mutual Auto.—Assets, \$6,972,799, inc., \$1,747,940; unearned prem., \$7,043,143; loss res., \$3,008,574; surplus, \$1,394,006, inc., \$561,949. Experience:

	Net	Losses
	Premiums	Paid
Auto liability	\$3,816,032	\$1,535,957
Other liability	20,591	2,445
Burglary & theft	53,366	22,227
Auto, prop. damage	1,451,033	716,598
Auto collision	1,316,843	670,798
Other P.D. & coll.	9,018	769
Other auto	753,700	255,925
Total	\$7,420,584	\$3,204,711

General Cas., Wash.—Assets, \$17,474,932, inc., \$2,927,970; unearned prem., \$6,036,631; loss res., \$5,548,153; capital, \$1,200,000; surplus, \$3,603,604; inc., \$163,478. Experience:

	Net	Losses
	Premiums	Paid
Auto liability	\$4,152,733	\$1,427,394
Other liability	2,196,079	344,623
Workmen's comp.	648,438	254,623
Fidelity	246,504	35,090
Surety	642,761	20,144
Glass	149,171	77,729
Burglary & theft	488,070	176,228
Boiler & machinery	274,817	42,863
Auto, prop. damage	2,161,534	932,648
Auto collision	183	11
Other P.D. & coll.	440,597	89,525
Total	\$11,400,888	\$3,400,880

Iowa Mutual Cas.—Assets, \$1,894,172, inc., \$650,058; unearned prem., \$1,083,560; loss res., \$372,180; surplus, \$359,785, inc., \$44,252. Experience:

	Net	Losses
	Premiums	Paid
Auto liability	\$541,179	\$157,248
Other liability	115,296	15,604
Workmen's comp.	211,665	86,180
Cargo	13,618	1,674
Glass	27,176	13,289
Burglary & theft	37,220	12,481
Auto, prop. damage	369,309	147,880
Auto collision	592,989	305,379
Other P.D. & coll.	35,650	9,029
Other auto	354,792	124,367
Total	\$2,298,894	\$872,933

National Protective—Assets, \$1,536,463, dec., \$18,748; unearned prem., \$205,208; capital, \$200,000; surplus, \$868,026, dec., \$25,883. Experience:

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	Net Premiums	Losses Paid
Accident	\$ 331,690	\$ 77,909
Health	403,917	164,458
Total	\$ 735,607	\$ 242,367

National Surety—Assets, \$39,765,001, inc., \$1,177,335; unearned prem., \$10,350,-542; loss res., \$4,912,257; capital, \$2,500,-000; surplus, \$19,173,322, dec., \$417,394.

	Net Premiums	Losses Paid
Experience:		
Auto liability	\$ 1,041,112	\$ 256,713
Other liability	424,192	34,533
Workmen's comp.	1,233,537	458,437
Fidelity	3,359,853	707,992
Surety	3,603,003	92,031
Glass	267,746	182,125
Burglary & theft.	3,584,297	1,279,318
Auto. prop. damage	493,478	220,607
Other P.D. & coll.	82,318	11,253
Total	\$14,083,536	\$3,243,009

Nodak Mutual—Assets, \$277,764, inc., \$115,740; unearned prem., \$70,581; loss res., \$45,923; surplus, \$143,560, inc., \$62,027. Experience:

	Net Premiums	Losses Paid
Auto liability	\$ 43,610	\$ 14,527
Other liability	9,297
Truck	2,613	1,036
Auto. prop. damage.	21,405	6,055
Auto collision	74,267	29,842
Other P.D. & coll.	5,470	829
Other auto	29,708	14,037
Livestock	5,470	267
Total	\$ 187,840	\$ 66,939

Pa. Threshermen & Farmers' Mut. Cas.—Assets, \$13,393,922, inc., \$2,370,304; unearned prem., \$3,467,070; loss res., \$5,615,-542; surplus, \$3,593,189, inc., \$200,522. Experience:

	Net Premiums	Losses Paid
Accident	\$ 24,704	\$ 10,607
Auto liability	2,732,303	733,791
Other liability	218,493	23,325
Workmen's comp.	4,042,599	1,622,962
Auto. prop. damage.	1,429,495	600,051
Auto collision	33,004	25,950
Other P.D. & coll.	89,056	18,854
Total	\$8,569,653	\$3,035,540

Shelby Mutual Casualty—Assets, \$5,-738,282, inc., \$966,639; unearned prem., \$2,570,340; loss res., \$1,678,298; surplus, \$1,055,209, inc., \$140,305. Experience:

	Net Premiums	Losses Paid
Auto medical pay.	\$ 179,458	\$ 54,242
Auto fire	57,886	11,799
Auto theft	29,040	4,789
Auto comprehensive	138,920	55,474
Auto liability	1,611,377	511,111
Other liability	336,566	55,805
Workmen's comp.	276,760	76,027
Glass	533,665	358,177
Burglary & theft.	185,345	69,857
Auto. prop. damage.	925,138	407,604
Auto collision	483,709	246,985
Other P.D. & coll.	51,088	13,431
Other	15,721
Total	\$4,824,708	\$1,865,307

Sawyer Gives Blessing

WASHINGTON—Endorsement by Judge Elmer Sawyer, representing insurance brokers, of HR 3998, as proposed to be amended, for casualty rate regulation in the District of Columbia is believed to strengthen the prospects for that measure meeting Senate approval.

In negotiations leading up to agree-

ment upon the amendments by leading factors of the industry concerned with D. C. casualty legislation, Judge Sawyer is understood to have indicated, at first, his preference for HR 3998, unamended, as passed by the House. He was advised of the amendments suggested by Superintendent Jordan and agreed to by other factors, but temporarily reserved the right to approve or reject them.

SURETY

Revive Blanket Bond Idea for Federal Employees

WASHINGTON—The proposal that the Treasury pay for bonding federal officials and employees has been revived in a bill introduced by Rep. Norton, New Jersey. It would authorize the Secretary of the Treasury to buy a blanket bond for all such persons who must give bond and pay the premium.

A similar measure was referred to the budget bureau last Congress and by it referred to various departments and agencies, which were unable to agree upon a compromise or substitute proposal.

Surety interests generally were reported opposed to that bill, more than they would have been, it was said, to a plan to authorize each government department or agency to buy a bond covering its own people. However, sentiment in the industry was not unanimous. Some took the position that since surety companies advise their customers to buy a blanket bond covering all their employees, it is not logical for the companies to oppose a somewhat similar plan proposed for the federal government to follow.

Neb. Dam Contract Awarded

Guy F. Atkinson Co., Long Beach, Cal.; Bressi-Brevanda Constructors, Los Angeles; Charles L. Harney, Inc., San Francisco; A. Teichert & Sons, Sacramento; W. E. Kier Construction Co., San Diego; David G. Gordon, Denver, and Trepte Construction Co., San Diego, jointly were low bidders at a price of \$19,432,386, when U. S. engineers opened bids on the Harlan dam on the Republican river near Alma, Neb. Fidelity & Deposit is sponsoring the bond, with Hartford Accident, Maryland Casualty, U.S.F.&G. and Massachusetts Bonding as coinsurers.

Winston Bros Co., Azusa, Cal., has been awarded the contract by the California highway department at its bid of \$1,373,504 for improvement of 4.4 miles of road in Los Angeles county. Aetna Casualty will execute the bond.

PERSONALS

T. A. Duckworth, personnel director of Employers Mutuals of Wausau, has been awarded the "man of the year" medal for 1947 by the Junior Chamber of Commerce at Wausau, in recognition of services as president of Anti-Tuberculosis Assn., vice-president of Federated Charities, Rotary Club activity.

Jesse W. Randall, president of Travelers, has been reelected president of the Greater Hartford Community Chest.

George Goodwin, assistant insurance commissioner of Connecticut and former head of the accident department of Connecticut General Life, has been elected president of the Family Service Society of Hartford.

President H. P. Skoglund of North American Life & Casualty and Mrs. Skoglund held "open house" Jan. 31 in honor of the 80th birthday of C. J. Hoigaard, chairman of the company.

Mrs. Gerald L. Perry has resigned from the surety department of Hartford Acci-

dent at Seattle. Her husband is superintendent of the department. Mrs. Perry's position is being filled by Margaret L. Merrill, who has been in training in Hartford.

DEATHS

Benjamin Brooks, 85, retired, for 35 years vice-president and attorney of American Mutual Liability, died at his home in Wellesley, Mass. He was born in Brooklyn, educated at Holyoke, Mass., and at Amherst College, where he graduated in 1885.

True Loss Story Not Told by Inventory of Insured

Inventory shortages associated with losses caused by dishonest employees were discussed by Theodore D. Davidson, New York certified public accountant, at the Surety Claim Men's Forum. Many times when a dishonest employee is caught redhanded stealing his employer's property and no further information can be developed, the employer takes an inventory and makes claim under the employee's bond for the amount of the shortage.

A thorough examination of the rec-

ords in several cases disclosed that the insurance loss reflected by the inventory figures was not entirely caused by the employee's dishonesty. Some insured failed to take into consideration spoilage, breakage, increased cost, and other factors which have a direct effect on the amount of the reported loss.

R. F. Hunsdorfer, Massachusetts Bonding, presided. The next meeting will be Feb. 26, with Frank J. Burns, American Surety, presiding.

Aetna Hospital Plan for Employees Is Liberalized

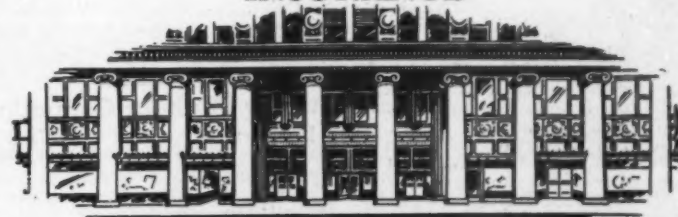
Aetna Life companies have announced a liberalization of the group hospitalization insurance for employees.

Where the former provisions gave from \$5 to \$7 daily hospital benefits for employees, according to their salaries, and from \$4 to \$6 for dependents, the new schedule offers \$8 to \$10 for employees and dependents alike. Allowance for hospital charges other than board and room is increased from five to ten times the daily rate and the surgical benefits for many operations also have been increased.

The increased cost of the additional benefits will be borne entirely by the companies.

A.F. SHAW & COMPANY INC.

INSURANCE



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CHICAGO 4, ILL.

PHONE WABASH 1068

ALL FORMS OF INSURANCE WRITTEN BY
LICENSED INSURANCE COMPANIES
AND
LLOYD'S OF LONDON

Inquiries invited from Agents and Brokers, for types of Insurance of a Special Character, throughout the world, not easily obtainable from regular Licensed Insurers.

PROSPECTS FOR INSURANCE

DIRECTORS' & OFFICERS' LIABILITY

The above form of insurance is to protect Directors and Officers of Corporations against various liabilities incurred by them in the performance of their duties.

The coverage indemnifies each Assured in case of claims being made by any Public Authority or Private Party in respect of any alleged wrongful act or omission or neglect or breach of duty on the part of the Assured or any of them in their respective capacities of Directors or Officers of the Corporation during the term of the insurance.

INFORMATION ON REQUEST

Fire, Casualty and Surety Reinsurance

Excess Covers

EXCESS UNDERWRITERS INC.

90 John Street, N. Y.

BEekman 3-1170

Chicago Office
INSURANCE EXCHANGE BUILDING

INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

F. V. Rudd Now at Helm at Detroit

DETROIT—Before a capacity audience Francis V. Rudd, executive vice-president of Marsh & McLennan, was



F. V. Rudd



John J. Driscoll

inducted into the presidency of Detroit Assn. of Insurance Agents at the annual cocktail party, meeting and banquet. Charles L. Nevens, General Underwriters, was elevated to vice-president, and M. Frank McCaffrey of Byrnes-McCaffrey, is the new treasurer.

The principal speaker was Dr. Robert W. Kelso, director of social work of University of Michigan.

John J. Driscoll, retiring president, cited the expansion of a road service program and the active support of insurance educational facilities at Detroit.

Mr. Rudd entered insurance in 1915 in the office of his father in Kentucky. Two brothers subsequently established agencies at Joplin, Mo., and Kansas City. He later became special agent for the old Fidelity, specializing in A. & H. Later he was a special agent for Pacific Mutual Life at Louisville, then became executive vice-president of Green & Green agency, Evansville, Ind. Then he went with Marsh & McLennan at Chicago and in 1932 was transferred to Detroit. He attended Dayton University.

Charles L. Platts was recently elected as a director.

By a change in the constitution, which permits the appointment of two members to the board, Fred J. Esper, Arthur J. Rohde agency, has been appointed to fill one of these posts.

Mortgage-Insurance Pact Working Out Well

MINNEAPOLIS—About a year ago the Minneapolis League of Savings & Loans Assns. entered into agreement with agents regarding placing insurance on property mortgage to such associations. The agreement was reached when a bill was introduced in the legislature to bar the associations from compelling mortgagors to place their insurance through them.

Under the agreement mortgagors are permitted to place their insurance where they see fit if the company meets the approval of the association as far as its financial standing is concerned. This arrangement has worked out quite satisfactorily in its first year of trial and a group of agents and officials of the savings and loan league met at luncheon recently to review results. A few complaints still come in that certain associations try to dictate the insurance but generally they are satisfactorily adjusted.

Purchases Two Films

MINNEAPOLIS—The educational film "Your Best Policy" of the National Assn. of Insurance Agents has been purchased by the Minnesota association

and is being booked for showings at regional meetings throughout the state. It will be shown Thursday at the Park regional meeting at Breckenridge and Feb. 9 is scheduled for the Duluth local board. March bookings include Range Assn. of Insurance Underwriters and Southern Minnesota Regional Assn. The association also has purchased "City Fire Fighters," for showing to grade school pupils.

Many Co. Men Address First Service Corp. Meeting

A two-day meeting of the 45 First Service Corp. agencies in Minnesota, Montana, and the Dakotas affiliated with the First National Banks of Minneapolis and St. Paul was held at Minneapolis. The following were lecturers: Aetna Casualty, A. M. Angvik, L. C. McGee, R. L. Pugh; America Fore, H. J. Clough, Nick Dekker; Crum & Forster, R. R. Hayes; Fireman's Fund, M. D. George, William Leissring, Jr.; George Maxwell; Hartford Accident, B. F. Gates; Hartford Fire, E. F. Holman, J. E. Sheehan; Home, David White; North America, A. E. Loe, D. J. Roell; Minnesota Automobile Assigned Risk Plan, James Reynolds; Northwestern Fire & Marine, Fred Weld; Rain & Hail Bureau, G. S. Hansen; St. Paul group, R. H. Bencroft, J. M. Campbell, Harry Lewis, W. F. Sommerville, D. W. Swanson; Springfield F. & M., E. C. Bowe; Travelers, G. O. Anderson, T. J. Berwald, John H. Egloff, Earl Loux, C. W. Russell.

There were 90 agency people present and 63 company men in addition to the speakers.

Survey Made at Columbus

Engineers of National Board and representatives of Ohio Inspection Bureau have completed a survey of Columbus. The city has adopted an income tax for all those working or conducting business in Columbus, to finance increased fire protection. It is said the National Board engineers will visit Columbus again in about a month, but probably will take no final action until after a referendum on the income tax proposal in June.

Adjustment Shifts in Kan.

Western Adjustment has opened a new office at Garden City, Kan., with J. C. Clark, Jr., resident adjuster in charge. Mr. Clark, for three years a staff adjuster at Salina, is a graduate of U.C.L.A. and spent four years in the navy. He is replaced at Salina by Paul Swenson, formerly of Dodge City. Herbert A. Achey, formerly with Retail Credit Co., has joined Western at Dodge City. Maurice D. Long, for two months at Wichita, was transferred to Parsons.

Coinurance Talk at Wichita

Maynard W. Whitelaw, Wichita district supervisor Western Adjustment, speaks at the Feb. 5 meeting of Wichita Assn. of Insurance Agents on coinurance and its application and the need to adjust insurance schedules on buildings and contents where coinurance clauses apply.

Ohio Mutual Conventions

Federation of Mutual Insurance Associations of Ohio, of which C. L. Mitman of Springfield is secretary, will hold its annual meeting at Columbus Feb. 17-18. Ohio Mutual Reinsurance Assn. and Ohio Mutual Windstorm In-

surance Assn. will meet at the same time.

Plan Six Iowa Regionals

DES MOINES—The executive committee of Iowa Assn. of Insurance Agents laid plans for six regional meetings in March. Dates and cities for the meetings will be set up by James Richards, secretary-manager.

The committee also made tentative plans for the annual meeting here Sept. 28-30. A membership drive will run through the summer months and up to the convention.

Leon Morse of Council Bluffs, state national director, will attend the mid-year meeting of N.A.I.A.

Horton Has Own Agency

O. K. Horton, for seven years with National Company of Omaha as manager of its insurance department, has opened his own agency at 887 Insurance building. He has been in the insurance business 15 years. Formerly he was with Love-Haskell agency.

Pinkerton Omaha President

Omaha Assn. of Insurance Agents has elected Arthur W. Pinkerton president; George Barker, vice-president; Thomas A. Bryan, secretary; Richard W. Walker and Robert Coufal, directors.

Speaks on Atomic Energy

The Insurance Club of Minneapolis will hear an expert explanation of atomic energy at a luncheon meeting Feb. 9 by Prof. Mark Graubard, physics department University of Minnesota. Marsh & McLennan is sponsoring the program.

NEWS BRIEFS

J. E. Reimann, president Fred L. Gray Co. general agency of Minneapolis, has been elected chairman of the First Federal Savings & Loan Assn. of Minneapolis and St. Paul. He has been president for several years.

Carl A. Cohagen, independent adjuster, addressed the Mutual Insurance Club of Columbus Monday.

Ned B. Shapker has been appointed manager of the Hardy Phoenix agency, Kansas City. He formerly was in charge of the accident and health department of Thomas McGee & Sons, and before that with Continental Casualty.

C. W. Price of Marsh & McLennan, Chicago, was in Kansas on business last week and visited former associates from his 15 years with Kansas Inspection Bureau.

Louis V. Wallen, Parsons, Kan., agent, celebrated his 25th anniversary in the agency with a dinner attended by field men and a number of local business friends.

The beginners insurance course was launched by Topeka Insurance Women in cooperation with the night school of Topeka high school. Marjorie Wilson, Meade Co., chairman education committee of Kansas Assn. of Insurance Agents, is faculty supervisor. Instructors include Webb Woodward, local agent; Edward McDermott, special agent of Home; Robert O'Brien, state agent Royal-Liverpool; Ruth Major, Brier agency, and Edwin B. Nellis.

The Insurance Women of Wichita are completing the N.A.I.A. standard course on fire insurance and expect to launch a new course shortly.

The fire protection rating of Salem, O., has been changed from 7 to 6 and that of Wapakoneta, O., from 6 to 7. Barclay-Brooks agency, Steubenville, O., has been converted into a partnership. Richard Irwine has been taken in as a partner.

Clyde Moore, "Ohio State Journal" columnist, will address Insurance Women of Columbus Feb. 5.

A joint meeting of the St. Paul and Minneapolis insurance women's associations will be held at Minneapolis Feb. 19.

COAST

America Fore Advances Seven in Pacific Office

The Pacific department of America Fore has advanced A. V. Holman and S. W. Weymouth to secretaries. C. F. McMaster is now assistant secretary and Ray E. Swearingen agency superintendent. Clarence W. Lord becomes chief engineer, Louis E. Pahl is manager of the brokerage and survey departments and N. L. Lyon manager of the general cover department.

Mr. Holman joined Continental in 1921 as special agent at Seattle. He was transferred to San Francisco in 1937 as agency superintendent and advanced to assistant secretary in 1940.

Mr. Weymouth joined Continental in 1917 and was advanced to agency superintendent in 1926. He became assistant secretary in 1944.

Mr. McMaster went with Niagara Fire in 1912 and became agency superintendent in 1944.

Mr. Swearingen joined Continental in 1918, Mr. Lord in 1922 and Mr. Pahl and Mr. Lyon began with Continental in 1926.

Cal. Local Boards Elect Officers for Coming Year

California local associations that have elected officers include:

Alhambra—Ernest Vinson, president; Thad Garvey, vice-president; R. Naylor, secretary.

Orange County—Robert C. Peacock, Laguna Beach, president; George R. Walder, Santa Ana, vice-president; R. A. Marshall, Laguna Beach, secretary.

Inglewood—Don E. Harrison, president; Joe Milligan, vice-president; Edna E. Davis, secretary.

Producers Groups Say Cal. Examinations Are Fair

SAN FRANCISCO—The examinations conducted by the California department for licenses as agents, solicitors or brokers are "eminently fair and carried out the purpose of protecting the insurance public," according to the Associated Insurance Producers of California, an organization consisting of representatives of agents' and brokers' associations of the state.

The statement resulted from a special meeting in San Francisco where the continued criticisms of the examinations as being unfair and so strict as to "look people out" of the business were discussed. The statement said:

"In the past there was too much leniency in granting licenses to those who should have been efficiently qualified to properly protect the business entrusted to them. The law now requires an insurance course and more stringent examinations, and we believe that the strict carrying out of these requirements is in public interest."

One thing the stricter examinations has produced is a much greater interest in the various insurance courses being conducted in California, with many company staff men and women attending to qualify themselves for higher positions or for greater competency in their present positions.

Several changes have been made in the examinations procedure. Formerly the department gave the qualification examinations in different sections; each section being graded separately and a passing grade on each section required.

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Retakes were permitted within a limited time on sections on which applicants failed. Hereafter examinations will be given as a whole and graded as a whole. Those who fail and desire to attempt to requalify will have to retake the entire examination.

IN THE SOUTHERN STATES

Texas Regionals to Be Wound Up this Month

The last of regional meetings of Texas Assn. of Insurance Agents will be held this month. Feb. 17, with Regional Chairman E. J. Dysart, Victoria, in charge, a meeting will be held at Victoria; Feb. 18, with Chairman R. B. Carter, Elva, presiding, at Corpus Christie, and Mr. Carter also will preside at a meeting at McAllen Feb. 19.

Wilson Brooks, marine department superintendent, American General, will be the inland marine speaker, talking on selling the personal property floater and application of the new rates. New automobile policy forms will be explained by Willis McVey, director of the automobile section of the casualty department, and the recent GBS amendments will be explained by Aubrey Reilly, assistant manager Texas Insurance Checking Office, who also will tell how to avoid receiving "yellow slips." Officers of the Texas Association will lead a discussion on some insurance problems of today.

S. L. Lucas to Norfolk Post

Shelton L. Lucas has joined the Lowery D. Finley & Co. general agency of Norfolk, Va., as manager and engineer of its fire insurance department. Most recently he has been special agent in Virginia for some of the Home companies. He has also seen service with S.E.U.A. and Travelers Fire at Charlotte, N. C. During the war he was fire protection engineer for the navy at Washington and San Francisco.

Regional Chairmen Named

New regional chairmen have been announced by Drex G. Foreman, executive secretary Texas Assn. of Insurance Agents. George Boyd, Cisco, is chairman of district 11; Frank Meadows, San Angelo, district 9, and R. J. Paine, Lampasas, district 4.

Arkansas Agents Set Dates

Arkansas Assn. of Insurance Agents has scheduled its annual convention for May 14-15 at Hot Springs. Regional meetings are set for Feb. 2, Fort Smith; Feb. 3, Little Rock, and Feb. 4, Pine Bluff. The five-day insurance seminar will be held at the University of Arkansas, Fayetteville, Aug. 16-20.

Sewell Opens in Georgia

John T. Sewell & Co., adjusters of Tallahassee, have opened a branch at Thomasville, Ga., which will be managed by A. G. Miscally. Mr. Miscally has been in the Georgia field for a general agency for 15 years and in insurance 20 years. He joined Sewell & Co. last September.

Albert R. Hogg has resigned as office manager with Richard F. McCready & Co., Winchester, Ky., and

The examination for insurance broker will hereafter be separate from that for agents and solicitors. The same questions will be asked but brokers must have a 75% grade to pass while only 70% will be required of agents and solicitors.

will join his family at Pensacola, where he will reenter the insurance and realty field.

No Change Until April 1

KNOXVILLE, TENN.—Mayor Elmore has been notified by J. H. Norton, manager Tennessee Inspection Bureau, that Class 3 rates will be maintained until April 1, giving the city time to carry out pledges made to improve the fire department.

CANADIAN

Commercial Union Names Scott Asst. Canada Mgr.

Due to ill health, Gordon L. Butcher has been retired as assistant manager for Canada of Commercial Union. He has spent his 23 years in business with the group.

Succeeding him is Harold J. Scott, manager at Winnipeg, who has been with the company 25 years.

F. Birch, appointed agency manager at the Canadian head office, has been inspector in Ottawa. Succeeding Mr. Birch is H. R. Sweetland. R. G. Boyd, superintendent of agencies at Vancouver, has been promoted to manager at Winnipeg. T. H. Johnston, inspector at Regina, succeeds him. N. A. Black has been named inspector at Regina, and F. J. Collett inspector at Windsor.

P. P. F. Change in B. C.

VICTORIA, B. C.—Conditions of the personal property floater policy in British Columbia have been modified, according to Superintendent Taylor. Where previously the standard floater policy carried the \$15 deductible clause, the losses under P.P.F. now will be paid in full if they result, Mr. Taylor says, from risks insured under an ordinary fire policy with supplemental contract. From now on new contracts will carry an endorsement that the deductible will not obtain in fire and supplemental contract losses.

Plan New B. C. Company

VANCOUVER—Application is to be made to the next session of the British Columbia legislature to incorporate British Columbia Automobile & General, which would write automobile, aircraft, fire, inland transportation, public liability, burglary and theft insurance. Gordon M. Grant of Vancouver is solicitor for the applicants.

Independents Cut Scale

TORONTO—Independent Automobile Insurance Conference has taken action similar to that by Canadian Underwriters Assn. in reducing commissions.

On commercial vehicles the rate will be 20% for garage and non-ownership risks; sand and gravel trucks, cartage trucks beyond the 25-mile limit, any policies issued covering public commercial vehicles, 15%; fleet risks of all classes (except as specified below), 15%; buses and transports, 7½%; taxis, 7½%.

Waldie Heads Two Companies

General Accident of Canada and Scottish Canadian have elected R. S. Waldie, who has been on the board for 27 years, chairman, succeeding the late J. F. Michie. J. Maitland Macintosh has been

appointed first vice-president and William M. Anderson, second vice-president. The latter becomes a director of the General Accident. On the Scottish Canadian board, A. W. Baillie becomes second vice-president. Douglas B. Hall, general manager, has been named to the Scottish Canadian board.

Edwards Heads Conference

Fred W. Edwards of the Massie, Renwick group, Winnipeg, has been elected president of Western Canada Independent Automobile Insurance Conference. Secretary is G. P. Shearer, Wawanesa, Winnipeg; treasurer, D. L. Cameron, Northwestern Mutual, Winnipeg.

Alta. Asks \$5 Minimum

EDMONTON — Alberta Insurance Agents Assn. has asked for a minimum premium of \$5 on fire insurance policies, to apply to one and three-year business.

Hardy Alberta President

CALGARY — M. R. Hardy has been elected president of Alberta Insurance Agents Assn. Vice-president is R. H. Kent, Medicine Hat, and secretary, J. C. Wainright, Calgary.



EAST

Lay Plans for Pittsburgh Insurance Day April 5

Insurance Club of Pittsburgh will sponsor its annual Pittsburgh Insurance Day Monday, April 5, at Hotel William Penn. A. M. Eckert of Commercial Union has been appointed general chairman.

Educational conferences will be conducted in the morning and afternoon on subjects in the A. & H., casualty, claims, fire, life, marine and surety fields. Then there will be the customary luncheon and dinner gathering for the entire group.

It is anticipated that the change to April 5 from the usual February date will mean an even greater attendance. April 5 was selected and announced as Pittsburgh Insurance Day over a year ago and the committee notes with regret that the date now conflicts with the N.A. I.A. mid-year meeting. Attempts to change the date have been unavailing.

Houlihan New President

Kenneth R. Houlihan has been elected president of Niagara Falls Insuring

YOUR GENERAL AGENT

He is not your competitor, but instead, as a good neighbor, is always ready to help YOU as a LOCAL AGENT. He covers his territory thoroughly, is familiar with local conditions, and invites you to call upon him for cooperation or assistance.

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Agents Club; Edward T. Ellis is vice-president; John D. Mahoney, secretary, and Alexander L. Porter treasurer. Miss Mary F. Reardon was appointed executive secretary for her 20th year.

Adjusters Hold Conclave

General Adjustment Bureau held a regional meeting at Philadelphia under the direction of Eastern Department Manager P. M. Winchester. About 125 were present. This was the fifth in a series of meetings.

McGowan & Richardson, local agency at Iliou, N. Y., is celebrating its 50th year in business. A. Kent McGowan is president.

MARINE

Quirk Inland and Ocean Chief

HARTFORD — Vice-president George G. Quirk has been named head both of the ocean and inland marine departments of Aetna Fire. The appointment follows the sudden death of Vice-president Martin W. Morron, who had been in charge of the ocean marine department since 1926.

President W. Ross McCain said the two departments have been operated in close relationship and that in the past two or three years they have been operating so closely as to be almost one department.

Sloat Inland Manager

Hal E. Sloat, underwriter and office manager in the northern California branch of General Accident at San Francisco, has resigned to become inland marine manager for the Ray Rosendahl & Co.'s northern California branch office. Except for 42 months in the army air force, he has been in the business about 20 years. He will spend a few weeks at the general agency's head office in Los Angeles.

Chase Is Named by Gulf

James B. Chase, formerly in the marine department of Trinity Universal, has been appointed marine special agent for Gulf in Texas.

No Specific Provision for FTC Insurance Studies

(CONTINUED FROM PAGE 19)

jurisdiction of insurance because FTC was not ready.

Need Specialists

The \$100,000 budget item, Freer said, was for FTC to "employ some specialists in that field to undertake first the survey of what the states have been doing, what laws they have passed for their regulation and to what extent, and secondly, for us to get ready to administer our law as applied to the business of insurance wherever the state laws do not apply."

Freer said attempts to overrule the Supreme Court, by statute, have not made much progress and that he thought "to some extent the insurance companies, insofar as the decision holding that they were interstate is concerned, have been satisfied."

If Congress passes a law before July 1, 1948, taking away FTC jurisdiction over insurance, Freer admitted FTC might not need the \$100,000, but that proposed commission studies of state laws "would be very helpful in any event to insurance companies."

A local agency has been established at Portland, Ore., by James E. Schram and Frank Amerata as Amerata & Schram.

At Tonkawa, Okla., J. E. Roberts has bought the interest of Ernest G. See. Tahlequah Abstract Co., Tahlequah, Okla., is discontinuing its insurance department, which has been sold to Sanford Martin.

whether any regulatory jurisdiction may result or not."

He added that FTC has been in conference with the American Bar Assn. insurance section and insurance association counsel, "and I do not think there will be any difficulty between us and the insurance industry."

Freer said that between the S.E.U.A. decision and passage of PL 15, FTC received "about 50 complaints from

outside the insurance business", involving "mail order, fly-by-night insurance concerns, selling insurance by mail, where they can be touched very little by state regulations, unless there is some act of fraud that can be reached by the post office department."

Joseph E. Sheehy, chairman of FTC planning council, endorsed the budget request as necessary to enable the commission to "carry out its duties."

"Comp" Board Quits Legislative Arena

(CONTINUED FROM PAGE 10)

of the board by the New York department. He said the board arrived at its program in a careful way. In the first place, it was evident that the stock security fund was below the level required by law and contributions by the insurers into this fund would be required, based on premiums written after July 1, 1947. Hence, a security funds factor was included in the calculated rate level.

Then there was the matter of increased medical and hospital fees. The medical fees were increased after June 1, 1947 and a 25% increase in the rates for hospital services became effective Jan. 1, 1947. Also, the workmen's compensation board abrogated the old rule under which medical bills paid within 30 days could be discounted by 5%. These increased costs were calculated to require a 4% increase in the rates. It was deemed essential to file a rate increase of 4% to be applied as of June 1 on outstanding policies.

These two filings were made with the insurance department last May, but the department following an examination, held that the underlying rates were redundant, that the factor for including expenses of administering the compensation law was too high, that the security funds factor should be omitted and that the evidence did not justify an increase in the medical and hospital factor. Mr. Sayer said that while the department's decision gave no reasons for the disapproval, he has learned that the explanation and arguments of the board were accepted on these points, the only point of difference being with regard to a reflection of current wage levels.

The New York examiner contended that the insurers are receiving a greatly increased volume through the application of standard rates to a larger volume of payrolls, and that since most claims are now being paid at the maximum benefit rates, there is little or no increase in the rate of compensation losses.

The board, however, argued that the evidence of wage increases was not based upon accepted statistical procedures, that it was fragmentary and haphazard in character, that the loss ratios of most of the insurers did not support the conclusion that they were making large profits under existing rates.

Wage Factor Question

The department feels that the insurers are receiving increased premiums because of the higher wage levels, at least as much as would be received by rate increase to cover the cost of increased medical-hospital expenses and the security funds contributions.

"The view of the department," Mr. Sayer said, "in the matter of an introduction of a factor, in some manner and to some extent reflecting the effect of current wage changes, without awaiting the slower development of statistical experience, imposes upon the board and its committees a duty of giving careful study and consideration to the question."

Mr. Sayer said the board is proceeding to get up a digest of classification interpretations and decisions. This will replace the former publication of classification interpretations which was discontinued during the war, and will contain reference to important decisions and rulings relative to classifications and manual provisions by the classification and rating committee of the board and by the staff committee. It will contain rulings of the department on appeals.

This will be under the direction of Arthur G. Smith, assistant general manager.

Improvements, Betterments Problems Are Reviewed

(CONTINUED FROM PAGE 13)

tional owner for such he is, but to denominate and treat him as a like owner of true fixtures, of which he has the use only during the term of his tenancy, seems incongruous. If the latter was not the intention of the framers of the single state reporting form, then clarification is in order. Insurance contracts should be clear and explicit in their terms. They should be so unambiguous and plain in their wording and phraseology that men of average intelligence who buy insurance will know and understand their meaning and import.

Durell to Iowa Field as Special Agent of N. H.

Newman Durell has been appointed special agent in Iowa for New Hampshire and Granite State with headquarters in the Merchants National Bank building, Cedar Rapids. He will assist State Agent H. W. Dunker. Mr. Durell has been with New Hampshire for several years at the home office in various capacities.

Sizable Fires at N. Y.

NEW YORK—North British, Jersey, and Girard share a loss estimated at about \$100,000 from a fire which destroyed several two-story buildings on upper Broadway near 110th street here. The fire started at midnight and damaged several adjoining buildings as firemen struggled to put out the blaze in freezing temperatures.

Phoenix Assurance and Pacific Coast split a \$33,000 loss when fire destroyed a five story loft building on Beekman street. Smoke from the fire shrouded the insurance district for several hours. Four other companies had \$20,000 loss on contents.

Home Office for Iowa Group

The American Farmers-Mutual group has purchased a building at 2000 Grand avenue, Des Moines, to be converted into a home office for American Farmers Mutual Life, American Farmers Mutual Automobile and American Farmers Mutual Casualty.

Shannon to Milwaukee

MILWAUKEE — James Shannon, manager at Washington, D. C., of Northwestern National for 18 years, has been transferred to the home office as supervisor of the company's 23 branch offices. With the company for 25 years, Mr. Shannon was at the home office 1923-6 and in Omaha before going to Washington. Ralph Lynch, Milwaukee, will succeed him as Washington manager.

Collections 100% Four Years

Last year was the fourth straight year in which one fire company's collections were 100% in every territory. However, the company reported that it was harder to make the goal this year than it was in 1946.

Emes, America Fore Comptroller, Marks 50 Years with Group

William H. Emes, comptroller of America Fore group, celebrated 50 years of service with the organization Feb. 1. Mr. Emes' office was decorated with flowers, and in the evening he was the guest of honor at a dinner at the Hotel Pennsylvania with 140 of his friends and associates in the companies attending.

Bernard M. Culver, chairman, and Frank A. Christensen, were present and Mr. Emes was presented with a gift from America Fore and wrist watch from the guests.

Mr. Emes started with Continental as a boy of 14 at a starting salary of \$15 a month. Later, the pay was increased to \$20 a month. The reply to his letter of application said in part:

"You will please excuse the suggestion, but we would prefer to have him wear long pants if he takes a position in our office."

Mr. Emes was made chief clerk of Continental in 1912 and in 1916 assistant to the auditor. In 1924 he was appointed assistant auditor and November of the same year, auditor.

As the other companies joined the group, Mr. Emes was appointed auditor of each and for more than a decade has been comptroller of all companies.

Insurers Win Subrogation Action in Louisiana

Louisiana Fire and American Central achieved success in a subrogation action against Union Electric Service of Monroe, La., for fire loss to the home of John H. Plunkett at Shreveport Dec. 25, 1943. Louisiana Fire recovered \$6,677 and American Central \$2,000.

The decision was given by Louisiana supreme court. Union Electric installed in the Plunkett home a new central heating unit Dec. 22, 1943. Although the plaintiffs were unable to establish exactly how any alleged defect in the installation or equipment caused the fire, the court said the doctrine of res ipsa loquitur is applicable and Union Electric had the burden of overcoming the inference of negligence that was created by the occurrence of the fire.

To do this it showed that after the installation certain tests, on two different occasions, were conducted by its engineer and its employee which disclosed no defects in the system. Admittedly, however, it did not secure an inspection, together with a pressure test, of the gas line which extended into the attic as is required by ordinance to be made by the plumbing inspector of Shreveport. The firemen on entering the attic found there burning gas being emitted from the extended gas line, some six or eight feet from the unit, which was described as either broken or containing a loose connection. Defendant's engineer and employees did not test the unit with the electric service disconnected, which omission becomes seemingly significant when it is remembered that the fire occurred while the electric blower was not in operation due to a disruption of the electric service to the house.

"Had these last two tests, together with the ordinance required inspection, been carried on, very probably plaintiffs' house would not have been burned. And because of the omission of defendant in these respects we are compelled to agree with the district court that its burden of overcoming the inference of negligence has not been discharged," the court said.

Kewaskum Mutual Reports

Kewaskum Mutual Fire of Kewaskum, Wis., in its new statement reports assets \$294,285, premium reserve \$114,202, net surplus \$173,375. Premiums written amounted to \$109,927 and losses paid \$40,622.

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Famous American Homes

BARTOW MANSION

*The End
of a Trail*



Dining room, like the home's exterior, follows Grecian style of architecture.

WOLF packs ranged the woods and the rocks swarmed with rattlesnakes 300 years ago in the region where the Bartow Mansion now stands in New York's Bronx County. Harried settlers offered a bounty of twenty shillings "for every grown wolf killed by a christian but only half as much when it was destroyed by an Indian" and decreed that "one day every spring be improved for the destroying of rattlesnakes." Even more deadly than these natural enemies of man were hostile Indian tribes.

To this harsh country came Anne Hutchinson, vainly seeking a "Land of Peace" after religious persecution, but marauding savages killed her and all her family except for one little girl. Accord-

ing to legend, this sole survivor of the massacre was taken by the Indians and later married a chief.

Today, in a community of suburban homes and apartment houses, modern parkways have replaced the trails of the long-vanished Indians. In the words of an old chief, "Your Empire State was once laced by our trails, trails that we have trod for centuries, trails worn so deep by the feet of the Indian that they became your roads of travel."

In Pelham Bay Park in the northernmost limits of New York City the Bartow Mansion marks, in a figurative sense, the end of a trail leading back to many families who figured prominently in the region's history, principally the Bartows and the Pells.

In 1654 Thomas Pell purchased 9,000 acres from the Indians and became first Lord of the original Manor of Pelham, comprising the present Pelham Bay Park and many nearby towns. Tradition has it that the deed of purchase was signed by the Indian chief who married Anne Hutchinson's daughter. A granddaughter of this union later married Thomas Pell, third Lord of the Manor, from whose eleven children many of the Pell family trace their descent.

This third Lord's grandson, John Bartow, bought the manor house in 1790. Aaron Burr, who had married the former Theodosia Bartow, was one of many famous guests entertained there by the wealthy and influential proprietor. In 1836 John's grandson, Robert Bartow, acquired the estate and built the present house which remained in the family's possession till 1888 when New York City purchased it for park development.

Restored and refurnished in the original period through the efforts of the International Garden Club, the beautifully proportioned mansion now stands as one of the few remaining links with the region's past.

The Home, through its agents and brokers, is America's leading insurance protector of American Homes and the Homes of American Industry.

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NEW YORK
FIRE • AUTOMOBILE • MARINE INSURANCE



Graceful staircase, one of many inventive details.



Some of the graduates of the Hartford Training Center



The Hartford Training Center

Located in its own building adjacent to the Home Office of the Hartford Fire Insurance Company and the Hartford Accident and Indemnity Company is the Hartford Training Center. This facility is for Hartford agents and their employees.

The Training Center provides a four weeks' course in Fire and Inland Marine lines and a four weeks' course in Casualty and Bonding lines. These courses are given at regular intervals throughout the year. The school faculty consists of men who have had wide experience in both office and field.

Classes are divided into small discussion groups not exceeding fifteen students. Instruction is handled by the conference method and is individual and personal in nature.

Much valuable and helpful information is acquired in outside study work when agents from all parts of the country confer regarding school work and agency problems.

Detailed information may be secured from the office to which Hartford agents report business.



Hartford Fire Insurance Company
Hartford Accident and Indemnity Company

Hartford 15, Connecticut

